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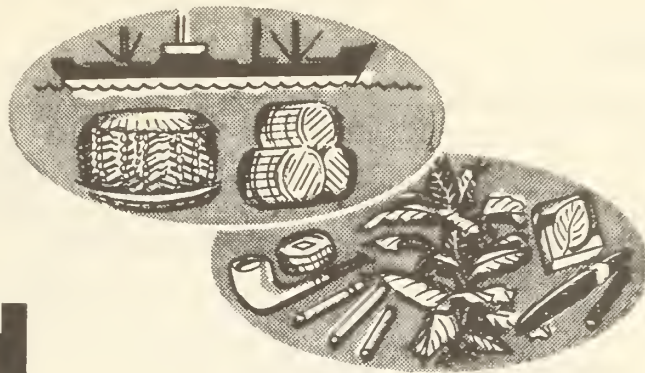
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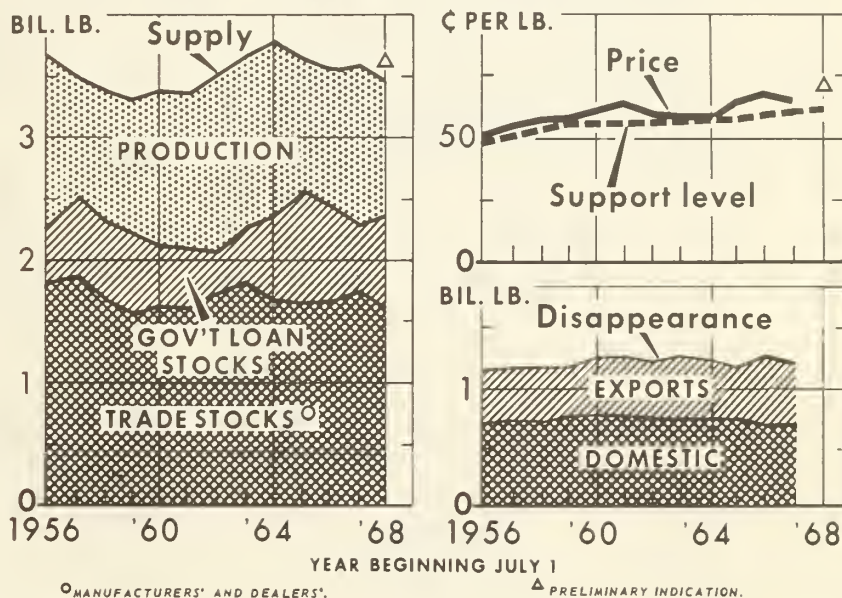
# TOBACCO SITUATION

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JUNE 1968

The U.S. supply of flue-cured tobacco in 1968/69 is considerably below the record high of 1964/65. Total carry-over in mid-1968 is about 2 percent above a year ago, and marketings will be down in 1968. Grower intentions are for 11 percent fewer acres than last year. The Government price support level for 1968 is about 3 percent above 1967. Domestic use of flue-cured may have gained slightly in 1967/68, but exports fell about one-tenth from the record high of the previous season.

## FLUE-CURED TOBACCO: SUPPLY, PRICE, USE



U.S. DEPARTMENT OF AGRICULTURE

NEG. ERS 223-68 (6) ECONOMIC RESEARCH SERVICE

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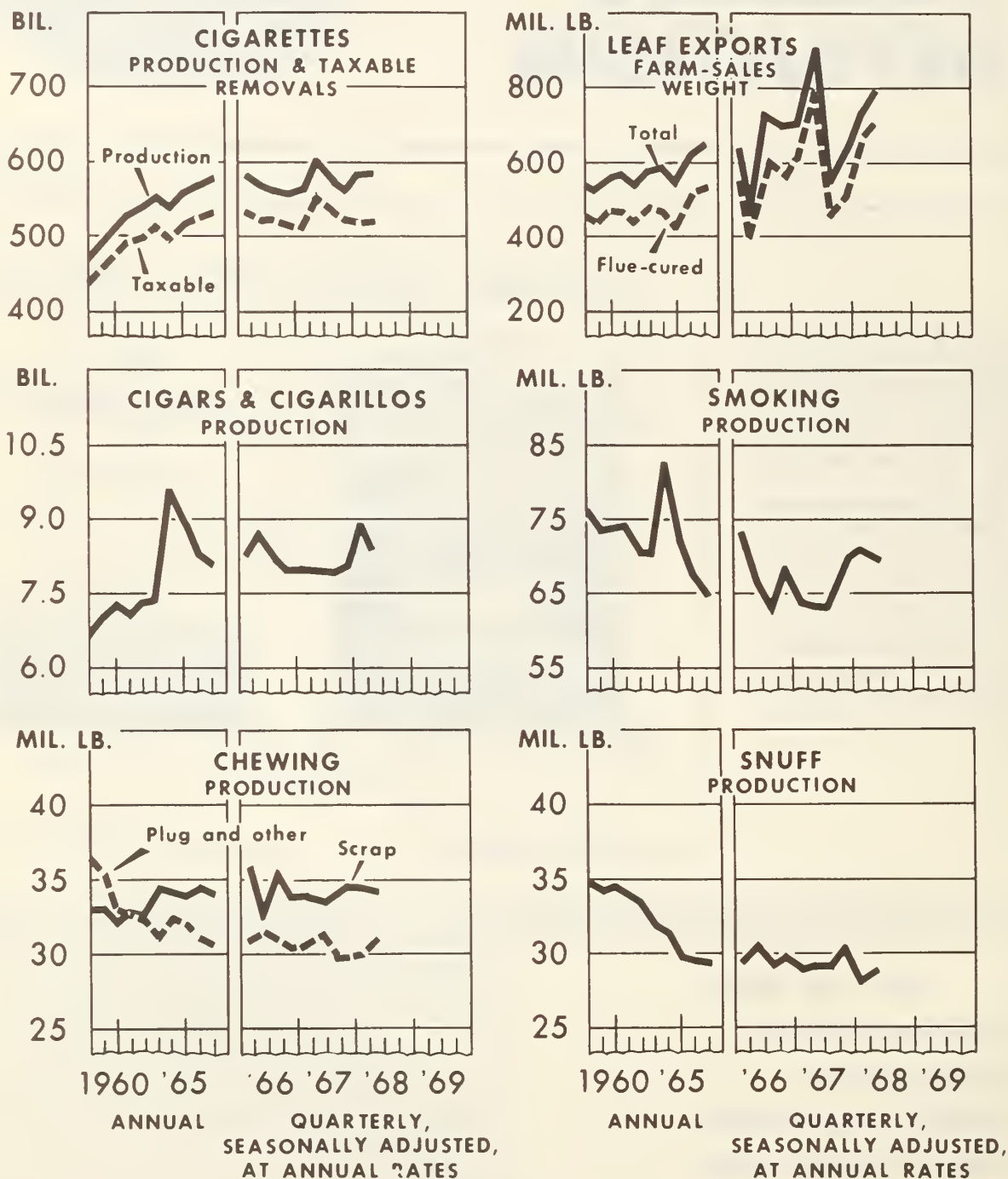
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**U.S. DEPARTMENT OF AGRICULTURE**



# TOBACCO OUTLETS

## Recent Trends in Manufactured Products and Exports





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T H E T O B A C C O S I T U A T I O N  
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Approved by the Outlook and Situation Board, June 24, 1968

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### SUMMARY\*

Domestic use of U.S. leaf tobacco for the current marketing year is expected to continue close to last year's level, although exports are down. Domestic use so far this marketing year is estimated to be about the same as a year earlier, based on April 1 stocks. Flue-cured use has been slightly ahead of last year's levels. Other tobacco use is reduced.

The carryover of U.S. types of leaf tobacco into 1968/69 is expected to be some 60 million pounds under the 4,171 million pounds at the beginning of 1967/68.

Domestic cigarette consumption in the 10 months ending April 30, 1968, was 0.7 percent above that of a year earlier, based on taxable removals. For the year ending June 30, 1968, U.S. output is estimated at 575 billion cigarettes--compared with 572.8 billion for 1966/67. U.S. smokers consumed an estimated 547 billion cigarettes--slightly more than in 1966/67.

Cigar and cigarillo consumption by U.S. smokers in the 10 months ending April 30, 1968, was 6,720 million--about 0.6 percent above the like period in 1966/67. For the 1968 fiscal year, consumption is expected to be up slightly from the 8,071 million in 1966/67. Sales of cigarillo-size cigars in calendar 1967 comprised over a fourth of total sales of cigars and cigarillos, according to the Cigar Manufacturers Association of America annual survey.

Smoking tobacco consumption for pipes and roll-your-own cigarettes is estimated at 70 million pounds in 1967/68--about 6 percent above 1966/67 consumption. Domestic production gained, and imports of manufactured tobacco (most of it smoking tobacco) may have reached 4½ million pounds in 1967/

\* The summary of this report was released on June 24, 1968.



68--up 1.3 million pounds from 1966/67. Chewing tobacco production in 1967/68 is estimated at about  $64\frac{1}{2}$  million pounds--1 percent less than in 1966/67, and probably a new low. The 1967/68 output of snuff is estimated at 28.8 million pounds--about 1 percent under 1966/67 production, and a long-time low.

Tobacco leaf exports during July 1967-April 1968 were 12 percent below the unusually large exports of 1966/67. Delayed exports (in anticipation of the export payment program) and U.N. sanctions against Rhodesia were primarily responsible for the large shipments in 1966/67. For the year ending June 30, 1968, U.S. exports of unmanufactured tobacco are estimated about 10 percent below the high level of 627 million pounds (708 million, farm-sales weight) exported in 1966/67. In calendar year 1968, exports may continue below a year earlier, reflecting increased overseas supplies, higher taxes, and changes in foreign manufacturing procedures.

Flue-cured exports were down 14 percent in July 1967-April 1968 and burley exports were down about a fourth, principally due to smaller shipments to West Germany. For the year ending June 30, flue-cured exports are expected to total about 15 percent below the unusually large exports of 482 million pounds (587 million, farm-sales weight) of 1966/67. Burley exports may total around 40 million (50 million, farm-sales weight) for the year ending September 30, around a tenth lower than in 1966/67.

Oriental leaf imports for consumption during July 1967-April 1968 were up 19 percent from those of a year earlier, while cigar leaf imports gained 33 percent. U.S. manufacturers' stocks of imported cigarette tobacco on April 1, 1968, were the largest on record and 17 percent above stocks on the previous April 1. Stocks of foreign-grown cigar tobacco in this country have declined during the past 3 years. On April 1, they were 9 percent below those on April 1, 1967.

With steady cigarette output, domestic flue-cured use this season is expected

to be 1 to 2 percent above last season's 21-year low. Allowing for decreased exports, total disappearance for the season is now expected to be about 4 to 5 percent below the 1,274 million pounds in 1966/67. This would leave the July 1, 1968, carryover of flue-cured tobacco about 2 percent higher than the 2,273 million pounds a year earlier. The 1968/69 total supply--carryover plus this year's crop--seems likely to be about 4 percent below 1967/68, primarily because of a smaller 1968 crop.

Partial-year data for 1967/68 indicate a decline of some 1 to 2 percent in disappearance of burley tobacco from 600 million pounds a year earlier. Both exports and domestic use are lower. Burley carryover next October 1 may be some 50 million pounds below last year's 1,382 million--primarily because the 1967 crop was the smallest in 7 years. The carryover, together with indicated production, would provide a total 1968/69 supply about the same as in 1967/68.

Disappearance of fire-cured, Maryland, cigar filler, and cigar wrapper tobaccos in the 1967/68 marketing year probably will each be a little lower than last season's level. Dark air-cured and cigar binder disappearance may be about the same as a year earlier. Primarily because the 1967 crop was smaller for these types, carryover into 1968/69 is expected to be lower.

Estimated carryover and indicated production will result in smaller 1968/69 supplies of fire-cured, dark air-cured, cigar filler and binder tobaccos. Supplies will be about the same for Maryland and cigar wrapper tobacco. Crop development in coming months will be an important factor influencing supplies in 1968/69.

Prospects for the new crop will also be a dominant influence on prices received by farmers when the 1968 auction season begins in July. Even with a little larger carryover of flue-cured tobacco and a favorable growing season, the smaller carryover of other types of tobacco and the prospective smaller total acreage likely will mean a smaller proportion of the 1968 crop placed under loan. Prices may average a little above last year, due to the 3 percent higher support level.



## TOBACCO PRODUCTS

Cigarette Use Gaining

Domestic cigarette consumption was 432 billion during the 10 months ending April 30, 1968--0.7 percent above the same period in 1966/67. Consumption in January-April, however, as measured by taxable removals, was 0.2 percent higher than the same 4 months in 1967. Several states with large populations increased State taxes at the beginning of April.

Cigarette consumption by U.S. smokers in the year ending June 30, 1968, is estimated around 547 billion cigarettes--about the same as the 1967 fiscal year record. This includes about the same domestic consumption and a small increase in shipments to overseas forces. (Table 1.)

Total U.S. cigarette output in 1967/68 is estimated at 575 billion--up slightly from the 1966/67 record high. This includes about 23 billion cigarettes for export and 4 billion for Puerto Rico and other U.S. possessions. During the 10 months July-April, cigarette exports were 3 percent below a year earlier. Major foreign markets for U.S. cigarettes in 1967, in order of importance, were Hong Kong, Spain, the Netherlands Antilles, Paraguay, and Kuwait. These 5 destinations accounted for 34 percent of total exports. (Table 2.)

Manufacturers' cigarette prices have been steady since June 1967. However, retail prices have risen 7 percent, primarily because of rising state and local taxes. Since July 1, 1967, 15 States have increased cigarette tax rates. This compares with increases in 2 States and the District of Columbia for 1966/67 and increases in 18 States in 1965/66. The 15-cent per pack tax in Florida (an increase from 8 cents during 1967/68) is the highest state cigarette tax in the Nation. The New York State tax increased 2 cents on June 1; so in New York City, the State and City tax together is 18 cents--the highest combined tax.

Trade reports indicate a further gain in 100 millimeter cigarettes in early 1968, but the rate of gain appears to be slower than in 1967. Last year, 100 MM cigarettes accounted for 10 percent of output, compared with an estimated 2 percent in 1966. The 100 MM lengths generally have a longer tobacco column than other cigarettes. So far this year, the increase in 100 millimeter cigarettes do not appear to be a significant factor in raising the total requirement for tobacco leaf.

Cigar and Cigarillo Use Up Slightly

U.S. smokers (including overseas forces) smoked 6,720 million cigars and cigarillos in the 10 months ending April 30, 1968--about 0.6 percent above a year earlier. For the 1968 fiscal year, U.S. consumption of cigars and cigarillos, may be up slightly from the 8,071 million in 1966/67. The 1967/68 total would be about 10 percent less than the 1964/65 record. The number of cigars to be used in 1967/68 includes a gain in cigars from Puerto Rican factories and a small gain in the tax-exempt category from U.S. factories. (Table 3.)

Through April, exports of large cigars and cigarillos were above the record level of last year. For 1967/68, exports are expected to be about 80 million cigars, compared with last year's 74 million. This is still only about 1 percent of output.

According to the annual survey of the Cigar Manufacturers' Association of America, sales of cigarillo-size cigars (weighing over 3 pounds but not over 10 pounds per 1,000) were 2.05 billion in calendar year 1967. The traditional-size cigar is generally more than double the weight of the average cigarillo. Cigarillo sales (based on taxable removals) in 1967 were 25.7 percent of total sales of large cigars and cigarillos. The cigarillo proportion in 1966 was 25.6 percent. But it is well above the 13 1/2 percent share at the start of the 1960's.



Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other <u>1/</u>	Puerto Rico and U. S. islands <u>2/</u>	
	Billions	Billions	Billions	Billions	Billions
Average:					
1950-54	414.2	377.9	18.4	1.9	15.8
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963	550.6	509.6	14.3	3.2	23.6
1964	539.9	497.4	13.8	3.7	25.1
1965	556.8	511.5	17.2	3.9	23.1
1966	567.3	522.5	18.7	3.9	23.5
1967 <u>3/</u>	576.2	527.8	21.5	3.9	23.7
Fiscal year					
Year ending June					
1963	543.7	503.0	14.0	3.1	23.4
1964	535.0	495.1	13.6	3.5	23.7
1965	562.4	517.0	15.1	3.7	25.1
1966	562.7	516.1	19.7	4.1	23.4
1967	572.8	524.9	20.2	3.7	23.8
1968 <u>4/</u>	575.0	525.0	21.7	4.0	23.0

1/ Also includes ship stores and small tax-exempt categories. 2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands. 3/ Subject to revision. 4/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Average 1960-64	1965	1966	1967 <u>1/</u>	July-April		1967-68 as a percentage of 1966-67
					1966-67	1967-68 <u>1/</u>	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Hong Kong	1,917	2,648	2,366	2,450	2,000	2,003	100
Spain	987	1,824	1,944	1,704	1,558	1,224	79
Netherlands Antilles	1,036	1,292	1,286	1,472	1,096	1,280	117
Paraguay	260	967	1,270	1,385	987	1,333	135
Kuwait	1,073	1,123	1,123	1,028	1,217	858	71
Panama <u>2/</u>	629	651	624	763	519	707	136
West Germany	562	523	653	720	551	548	99
France	1,418	1,035	969	720	719	565	79
Italy	716	644	622	715	551	539	98
Lebanon	1,358	630	499	640	507	531	105
Ecuador	448	712	626	561	565	400	71
Canary Islands	296	487	568	545	452	342	76
Netherlands	585	503	607	476	423	325	77
Switzerland	399	483	538	538	320	387	121
Other countries <u>3/</u>	11,373	9,530	9,708	9,935	8,022	8,286	103
Total, all countries	23,057	23,052	23,457	23,652	19,487	18,878	97

1/ Subject to revision. 2/ Includes Canal Zone. 3/ Includes around 100 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.



In 1967, cigarillo sales were 1.8 percent below 1966, while large cigar sales declined 2.7 percent.

Sales of tipped and untipped cigarillos and large cigars were also surveyed. Tipped cigarillos comprised nearly 63 percent of calendar 1967 cigarillo sales, compared with 61 percent in 1966; sales of untipped cigarillos dropped 6 1/2 percent, while sales of tipped cigarillos gained 1 percent. The 1967 sales of tipped large cigars fell 10 1/2 percent from 1966, and sales of untipped large cigars declined 2 1/2 percent. Tipped large cigars account for about 3 percent of total large cigar sales.

Small cigars--about cigarette size, weighing not more than 3 pounds per 1,000--are counted by the Internal Revenue Service as a different category than large and cigarillo-size cigars. At 392 million during July 1967-April 1968, the output of small cigars was 15 percent above a year earlier, but about half the peak in July 1963-April 1964. (Table 4.)

#### Smoking Tobacco Use Rising

Production of smoking tobacco for pipes and roll-your-own cigarettes was 50.1 million pounds in the first 9 months of the 1967/68 fiscal year--4 1/2 percent above the same period in 1966/67.

Sales of 52.1 million pounds of smoking tobacco for domestic use during July 1967-March 1968 were 5 percent above the same period a year ago. Rising U.S. manufacturers' sales, as well as increased imports, contributed to the gain. The gain in U.S. manufacturers' sales from the previous year was greater during January-March 1968, than in July-December 1967.

Exports are only a small portion of U.S. smoking tobacco production; for July-April 1968, exports were above those of a year earlier.

Smoking tobacco consumption in the United States for the year ending June 30, 1968, is estimated at 70 million pounds--about 6 percent above the long-time low of

1966/67. Most of 1967/68 use would come from domestic production, but imports are rising sharply. (Table 5.)

Imports (mostly from the Netherlands and the United Kingdom) have increased substantially in recent years. In 1967/68, they may have reached about 4 1/2 million pounds--one-third above the previous year.

Exports of cut cigarette tobacco in bulk during January-April 1968 were about the same as year earlier. Exports of these products have trended upwards for several years and, in 1967/68, probably rose further to about 16 million pounds. This category includes specially prepared cigarette tobacco, cut and granulated tobacco, partially processed blended tobacco, and shredded tobacco. It also includes processed sheet tobacco and "blended strips" consisting of more than 1 kind--principally blended flue-cured and burley. Bulk smoking tobacco exports have gained due to the growing overseas popularity of American-type blended cigarettes. Some U.S. brands are manufactured abroad under licensing arrangements; some by overseas subsidiaries of U.S. firms.

#### Chewing Tobacco and Snuff Output Lower

Output of chewing tobacco in 1967/68 is estimated at about 64 1/2 million pounds--1 percent less than in the previous year. Production of plug, twist, and scrap chewing is estimated to have been down some, while output of fine-cut likely increased a little. (Table 6.)

Most chewing tobacco is consumed domestically. Exports--consisting mainly of twist and plug--were 100,000 pounds in January-April 1968, compared with 78,000 pounds a year earlier. The gain was accounted for by shipments to Australia, which had received none a year earlier, after having been the leading U.S. export outlet in 1966.

Snuff production in 1967/68 is estimated at 28.8 million pounds--about 1 percent below 1966/67 and the eighth successive year of decline. Virtually all U.S. snuff output is consumed in this country.



Table 3.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States 1/			From	Imports for consumption		Exports	Total
	Total	Removals		Puerto Rico:	Total 2/	From	Philippine	consumption
	output	Taxable	Tax-exempt	taxable		Republic		3/
	Million	Million	Million	Million	Million	Million	Million	Million
Average: 1950-54	5,902	5,818	83	13	15	2	4	5,925
1955	6,004	5,915	82	84	20	5	6	6,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963	6,716	6,621	144	526	24	15	33	7,282
1964	8,736	8,122	193	809	28	13	44	9,108
1965	7,899	7,577	180	911	25	9	55	8,638
1966	7,165	7,076	193	1,075	25	10	73	8,296
1967 2/	6,857	6,845	197	1,029	30	7	76	8,095
	Fiscal year							
Year ending June								
1963	6,532	6,440	139	521	23	16	4/25	7,098
1964	7,774	7,483	170	641	30	15	39	8,285
1965	8,445	7,912	176	850	25	10	45	8,918
1966	7,517	7,332	210	1,034	25	9	70	8,531
1967	6,883	6,864	183	1,072	26	9	74	8,071
1968 6/	7,200	6,860	200	1,100	29	8	79	8,110

1/ Includes output and removals of bonded manufacturing warehouses--a category in which no facilities have been classified since February 1964. 2/ Prior to the embargo on imports from Cuba (effective February 1962), the major share of imported cigars came from Cuba. 3/ Total removals from U. S. factories plus those from Puerto Rico, and imports, minus exports. 4/ Estimated--excludes little cigars. 5/ Subject to revision. 6/ Preliminary estimates.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 4.--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	Million	Million	Million	Million
Average: 1950-54	64.9	65.0	64.2	0.8
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.9
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963	281.4	272.4	264.2	8.2
1964	973.9	973.8	939.7	34.1
1965	440.7	457.8	434.7	23.1
1966	445.3	452.6	435.7	16.9
1967 1/	434.2	440.8	430.7	10.1
Fiscal year				
Year ending June				
1963	187.1	188.6	181.8	6.8
1964	913.2	881.5	865.1	16.4
1965	437.7	477.1	443.3	33.8
1966	474.7	470.8	449.9	20.9
1967	420.8	432.5	419.0	13.5
1968 2/	470.0	468.0	460.0	8.5

1/ Subject to revision. 2/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.



Table 5.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals <sup>1/</sup>		Imports <sup>2/</sup>	Exports, in packages	Total consumption <sup>3/</sup>	Exports, smoking tobacco in bulk <sup>4/</sup>
		Taxable <sup>1/</sup>	Tax-exempt <sup>1/</sup>				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:							
1950-54:	95.2	92.0	3.2	0.1	0.6	94.7	3.0
1955:	80.0	77.7	2.3	.1	.5	79.6	6.2
1956:	71.5	69.9	1.7	.1	.6	71.1	5.7
1957:	70.5	68.7	1.7	.2	.6	70.0	4.4
1958:	76.0	74.0	2.0	.4	.7	75.7	7.5
1959:	73.2	71.2	1.9	.7	.7	73.1	8.5
1960:	73.8	71.3	2.3	.9	.9	73.6	7.7
1961:	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962:	70.9	68.3	2.6	1.5	.9	71.5	8.6
1963:	70.4	68.0	2.2	1.6	.9	70.9	9.8
1964:	82.5	79.0	3.4	2.7	1.4	83.7	12.3
1965:	71.8	67.3	3.0	2.1	1.0	71.4	13.6
1966:	67.3	65.3	1.5	3.3	.9	69.2	14.8
1967 <sup>5/</sup> :	64.8	62.7	2.0	3.7	1.3	67.1	15.9
Fiscal year							
Year ending June:							
1963:	69.8	67.1	2.3	1.7	.9	70.2	9.7
1964:	80.7	77.5	2.9	2.1	1.2	81.3	10.0
1965:	74.1	71.4	3.0	2.5	1.1	75.8	13.2
1966:	69.8	65.4	2.4	2.8	1.0	69.6	13.9
1967:	64.3	62.3	1.8	3.2	1.1	66.2	15.7
1968 <sup>6/</sup> :	68.0	65.0	2.0	4.5	1.5	70.0	16.0

<sup>1/</sup> After December 1965, taxable removals data replaced by domestic sales, and tax-exempt removals data replaced by export sales. <sup>2/</sup> Prior to July 1962 and after December 1965, data are from Census import classification covering mainly smoking tobacco; from July 1962 through December 1965, data represent taxable removals of imported smoking tobacco reported by Internal Revenue Service. <sup>3/</sup> Total removals (or sales) plus imports minus exports in packages. <sup>4/</sup> Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class was not included in Internal Revenue Service output figures for smoking tobacco. <sup>5/</sup> Subject to revision. <sup>6/</sup> Preliminary estimate.

Basic data compiled from reports of the Internal Revenue Service, Bureau of the Census, and Consumer and Marketing Service, USDA.



Table 6.--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing tobacco						Snuff
	Plug	Twist	Fine-cut	Scrap	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
Average:							
1950-54	38.9	4.9	2.8	38.2	84.8	39.2	
1955	36.5	4.5	3.0	36.0	80.0	39.2	
1956	33.0	4.3	2.9	35.5	75.7	37.7	
1957	31.6	4.0	2.8	34.0	72.4	36.1	
1958	29.6	3.8	2.9	33.0	69.3	34.8	
1959	28.6	3.6	3.0	33.0	68.2	34.3	
1960	26.4	3.4	3.1	32.0	64.9	34.6	
1961	26.0	3.3	3.2	32.7	65.2	33.8	
1962	26.0	2.9	3.3	32.5	64.7	33.2	
1963	24.9	2.9	3.3	34.2	65.3	31.8	
1964	25.9	2.8	3.5	34.0	66.2	31.4	
1965	24.7	2.8	3.7	33.9	65.1	29.7	
1966	24.3	2.7	3.9	34.3	65.2	29.5	
1967 1/	23.7	2.6	4.1	34.0	64.4	29.3	
	Fiscal year						
Year ending June							
1963	25.1	3.0	3.3	33.6	65.0	32.7	
1964	25.9	2.8	3.4	34.2	66.3	31.9	
1965	25.1	2.8	3.6	33.4	64.9	30.3	
1966	24.5	2.9	3.8	34.2	65.4	30.0	
1967 1/	24.2	2.6	4.0	34.2	65.0	29.1	
1968 2/	( - - - - -	30.2 - - - - - )		34.3	64.5	28.8	

1/ Subject to revision. 2/ Preliminary estimate.

Basic data compiled from reports of the Internal Revenue Service and Consumer and Marketing Service, USDA.

#### FOREIGN TRADE

##### U.S. Exports of Unmanufactured Tobacco Lower

Total U.S. exports of unmanufactured tobacco in the 10 months, July 1967-April 1968, were 12 percent below the high level of a year earlier. A decline in exports of flue-cured tobacco--the principal export class--accounts for most of the total decline from 1966/67. Foreign shipments of burley, Maryland, fire-cured, dark air-cured, and cigar tobacco are also down. About one-half of the July-April decline occurred in exports to West Germany. Sev-

eral other European countries took smaller shipments, as did Japan and Australia.

For the year ending June 30, 1968, exports of unmanufactured tobacco are estimated about 10 percent below the high level of 627 million pounds export weight (708 million, farm-sales weight) exported in 1966/67. The 1967/68 total would be 15 percent above the 1961-65 average. Delayed exports (in anticipation of the export payment program) and U.N. sanctions against Rhodesia were primarily responsible for the large shipments in 1966/67.



Table 7.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)						1968 as a percentage of 1967
	Average	1965	1966	1967	January-April		
	1960-64			1/	1967	1968	
					1/	1/	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
	lb.	lb.	lb.	lb.	lb.	lb.	
Flue-cured	397.2	351.1	422.6	427.4	115.4	112.0	97
Burley	41.6	45.3	45.7	45.3	18.6	13.0	70
Maryland	11.4	10.1	10.6	15.1	4.9	3.4	69
Fire- and sun-cured	24.1	27.6	23.4	26.3	9.5	6.2	65
Green River	.8	.6	.5	.9	.2	.3	150
One Sucker	.6	.9	.6	1.0	.5	.1	20
Black Fat, etc.	4.1	3.9	3.5	4.1	1.5	1.0	67
Cigar wrapper	4.4	3.9	4.5	3.7	.9	1.7	189
Cigar binder	1.6	2.5	1.9	1.8	.6	.3	50
Cigar filler	.4	.7	1.9	.9	.2	.1	50
Perique	.2	.4	.4	.2	*	*	---
Stems, trimmings, and scrap	10.8	21.1	35.6	44.9	11.1	16.7	150
Total	497.2	468.1	551.2	571.6	163.4	154.8	95
Country of destination							
United Kingdom	138.1	92.8	129.9	137.6	32.0	44.2	138
France	6.0	5.8	8.6	6.3	2.8	2.3	82
Belgium	17.4	18.8	17.5	17.5	5.7	6.2	109
Netherlands	32.2	37.2	28.8	40.5	11.6	6.4	55
West Germany	79.2	80.9	98.7	114.3	38.2	17.0	45
Portugal	7.3	3.7	3.8	5.5	1.0	3.1	310
Denmark	13.3	15.1	17.9	16.4	3.9	7.0	179
Ireland	14.9	10.6	13.5	14.3	4.7	4.7	100
Switzerland	13.2	12.6	16.9	21.4	6.6	5.7	86
Finland	7.3	6.1	4.7	5.9	2.2	1.0	45
Norway	7.7	6.0	9.3	8.4	2.8	3.4	121
Sweden	16.6	5.9	22.8	19.3	5.7	4.9	86
Italy	11.3	8.4	3.7	7.1	*	0	---
Spain	1.7	3.7	5.1	3.8	3.1	3.4	110
Thailand	9.2	11.8	17.7	23.2	8.0	6.7	84
S. Vietnam	5.9	7.3	12.4	12.9	2.6	3.7	142
Malaysia 2/	5.2	6.6	7.3	9.6	2.6	2.6	100
Hong Kong	6.5	7.5	4.7	5.9	1.9	1.8	95
Japan	26.1	36.6	42.1	27.0	3.9	12.9	331
Australia	17.2	19.7	16.5	13.3	5.9	5.1	86
New Zealand	4.5	3.0	5.3	3.8	.9	1.9	211
Egypt	11.5	18.4	12.0	1.4	.7	0	---
Other countries	44.9	49.6	52.0	56.2	16.6	10.8	65
Total	497.2	468.1	551.2	571.6	163.4	154.8	95

1/ Preliminary. 2/ Malaysia and Singapore. \*Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.



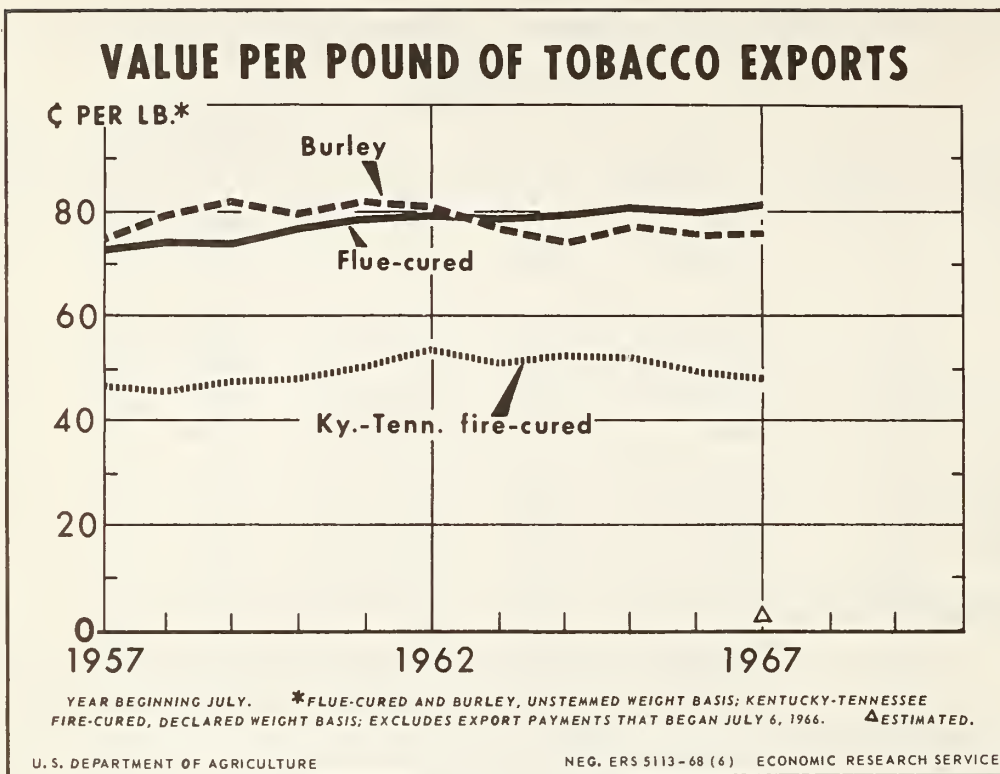


Figure 1

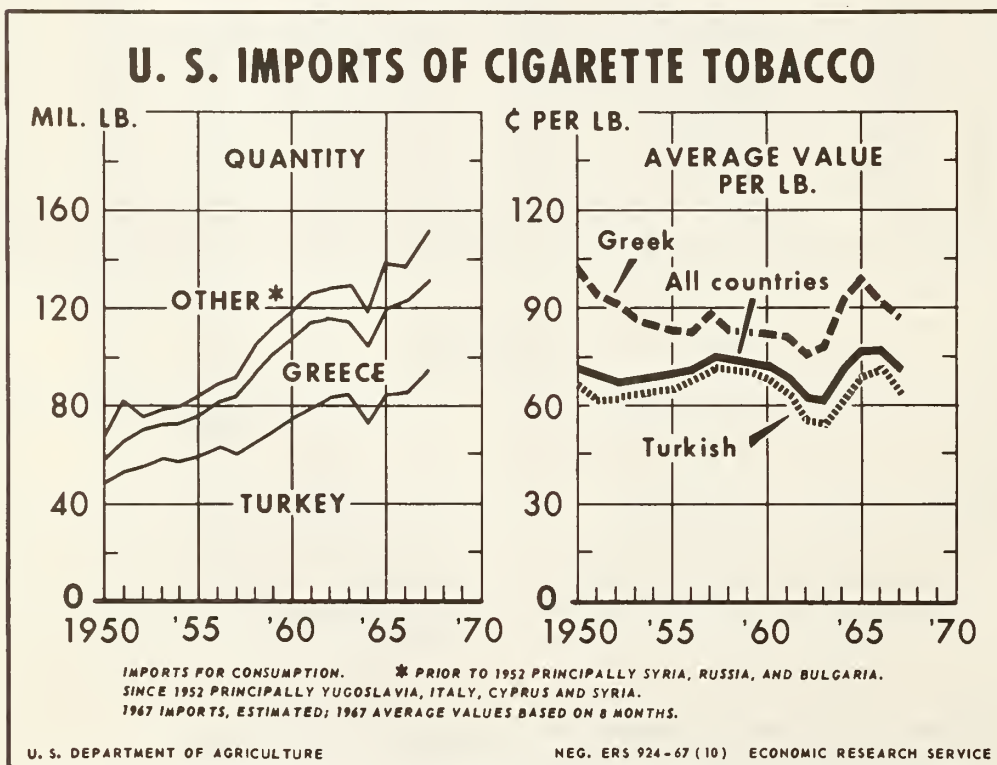


Figure 2



January-April tobacco exports were 5 percent below a year earlier. (Table 7.) But January and February exports were above these of a year earlier, due to delayed shipment of 1967 tobacco crop. The delay was caused by the longer processing time for loose leaf flue-cured tobacco.

U.S. tobacco exports this calendar year are likely to be slightly below the 21-year high of 572 million pounds in 1967. Despite improved economic conditions in Europe this year, increased overseas supplies, higher taxes, and changes in foreign manufacturing procedures are reducing U.S. leaf requirements. Rhodesia still has sizable tobacco stocks, but U.N. sanctions against Rhodesia have been expanded.

Thus far this fiscal year, movement of tobacco under P.L. 480 has been maintained, despite larger crops overseas. For the entire fiscal year, P.L. 480 tobacco exports will likely continue about the same as in 1966/67.

In his May trade message to Congress, the President recommended repeal of "American Selling Price" method, of tariff valuation for certain chemicals, and other products. If the United States repeals the "American Selling Price" valuation method, the United Kingdom would reduce by 25 percent the Commonwealth preference of 18½ cents per pound on imported tobacco.

The European Common Market progressively lowered duties on tobacco of member countries and associated members. They were eliminated Jan. 1, 1968. A common agricultural policy on tobacco, was originally scheduled to come into force on July 1, but has been delayed. EEC countries import about one-third of world tobacco exports and about one-third of U.S. exports, so these changes could affect the competitive position of U.S. tobacco in these markets.

#### U.S. Imports Rising

U.S. tobacco imports for consumption (factory use of imports) during January-April 1968 were 82 million pounds, or 35

percent above a year earlier. (Table 8.) Cigarette leaf imports gained 28 percent; imports of cigar tobacco gained about 56 percent. Tobacco from Turkey, Greece, and Yugoslavia accounted largely for the cigarette leaf gains.

January-April 1968 general imports of tobacco (total arrivals, i.e. direct entries, plus those placed in bonded warehouses) were 150 million pounds, or 3 percent above the comparatively high figure of a year earlier. (Table 9.) Cigar tobacco arrivals gained about 12 million pounds, while cigarettes tobacco declined 8 million pounds. However, the proportion of cigarette tobacco imports that consist of low value scrap is continuing to gain. Arrivals from Turkey declined a little, but arrivals from Greece increased. The average value per pound of arrivals from Turkey was about the same as a year ago while that of Greek tobacco was moderately below a year earlier.

General imports (arrivals) of cigar filler tobacco during January-April 1968 were 5 million pounds above a year earlier. Dominican Republic accounted for the gain. Average value per pound fell slightly during January-April 1967.

Imports of scrap tobacco for cigars gained 3 million pounds from January-April 1967, mainly because of larger imports from the Philippines. Average value per pound fell slightly from the same period a year earlier.

U.S. stocks of foreign-grown cigarette tobacco on April 1, 1968, totaled 459 million pounds (farm-sales weight). They were 17 percent above a year earlier, and the largest on record. Foreign-grown cigar tobacco stocks, by country of origin, are showed on page 33.

#### Foreign Flue-cured Supplies Larger

Official information on the size of Rhodesia's flue-cured crop harvested in early 1968 is not available, but it is expected to be near the production goal of 132 million pounds. Drought conditions have affected the quality of the current crop that is now being sold at secret auctions.



Table 8.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Average : 1960-64 : 1965 : 1966 : 1967 : January-April : 1968 as a						
	1960-64		1965	1966	1967	1967	1968
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	1/	1/
Cigarette leaf							
Unstemmed:							
Turkey	78.4	83.6	84.3	92.8	29.8	32.6	109
Greece	31.7	36.0	36.6	37.6	12.4	19.9	160
Yugoslavia	7.8	12.9	11.4	13.2	4.3	6.7	156
Italy	1.7	1.4	.5	.4	.1	.1	100
Cyprus	.8	.8	.7	.7	.2	.2	100
Syria	.6	.2	.3	.4	4/	.1	---
Total 2/	123.6	137.9	137.1	151.1	48.0	61.5	128
Flue-cured and burley	3/.3	.3	1.0	1.6	.4	1.5	375
Cigar leaf (filler)							
Cuba:							
Stemmed	3.3	.2	.2	.1	.1	.1	100
Unstemmed	2.9	.6	.2	.3	.1	.1	100
Philippine Republic:							
Stemmed	.4	4/	4/	.1	4/	0	---
Unstemmed	.1	4/	.1	.2	.2	0	---
Colombia	.3	.1	.6	.5	.1	.3	300
Brazil	.4	.6	.6	.5	.1	.4	400
Paraguay	.2	.4	.2	4/	0	4/	---
Dominican Republic	.5	.8	.7	1.2	.6	.4	67
Mexico	.3	1.0	1.3	.8	.3	.3	100
Total 2/	8.7	4.3	5.0	5.3	1.6	2.1	131
Scrap:							
Cuba	7.7	1.6	1.4	.7	.3	.2	67
Philippine Republic	11.5	14.1	17.1	16.7	4.5	5.9	131
Peru	.5	.3	.2	.3	0	.2	---
Colombia	3.6	5.5	3.9	3.2	.8	1.2	150
Dominican Republic	3.8	7.6	3.3	4.2	.9	1.7	189
Netherlands	.1	4/	.2	4/	0	4/	---
Indonesia	.8	1.3	.9	1.1	.4	.3	75
Brazil	1.2	3.6	3.5	3.1	1.0	1.4	140
Argentina	.2	.4	.3	.8	.2	.3	150
Paraguay	.3	.9	1.4	1.8	.4	.6	150
Total 2/	31.5	38.9	35.6	38.2	10.0	16.2	162
Cigar wrapper (unstemmed):							
Cuba	.4	4/	4/	4/	0	0	---
Cameroon Republic	4/	.1	.1	.1	4/	.1	---
Honduras	4/	.1	.1	.1	4/	4/	---
Total 2/	.5	.2	.3	.5	.2	.2	100
Total imports 5/	165.1	182.6	179.3	197.1	60.3	81.7	135

1/ Preliminary.

2/ Includes relatively small quantities from other countries not separately listed.

3/ 1961-64 average.

4/ Less than 50,000 pounds.

5/ Includes stems not cut, ground, or pulverized. Detail may not add to total, due to rounding.

Compiled from publications and records of the Bureau of the Census.



Table 9.--United States general imports of tobacco, quantity and average value per pound, average 1960-64, annual 1965-67, and January-April 1968

Classification and country of origin	1960-64		1965		1966		1967		Jan.-April 1968	
	Average		Average		Average		Average		Average	
	Quantity	value	Quantity	value	Quantity	value	Quantity	value	Quantity	value
	:per pound:		:per pound:		:per pound:		:per pound:		:per pound:	
	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.
Cigarette leaf (unstemmed):										
Turkey	86.8	59.7	79.8	69.0	124.6	61.1	132.5	63.0	74.2	63.7
Greece	36.1	84.4	35.7	83.4	34.1	87.3	51.9	83.3	36.0	79.8
Other countries	16.3	65.8	14.0	74.2	24.9	69.0	27.7	62.1	10.7	63.2
Total	139.2	66.8	129.5	73.6	183.7	67.1	212.1	67.8	120.9	68.4
Scrap:										
Turkey	.9	5.3	7.0	7.3	4.6	7.4	10.2	7.6	2.3	8.7
Greece	1/.3	6.9	2/	---	0	---	1.2	9.0	1.3	10.5
Flue-cured and burley	.4	55.8	1.0	32.0	1.8	33.9	1.9	33.6	4.0	32.1
Cigar wrapper (unstemmed):										
Cuba 3/	.3	369.2	0	---	0	---	0	---	0	---
Cameroon Republic	.1	413.6	.1	842.0	.1	497.3	.1	487.9	.1	462.4
Honduras	2/	---	.1	488.4	.1	407.7	.3	329.2	2/	---
Total 4/	.4	373.4	.4	529.9	.3	486.7	.8	326.9	.2	482.4
Cigar filler (stemmed):										
Cuba 3/	3.0	165.0	0	---	0	---	0	---	0	---
Philippine Republic	.8	29.8	2.2	25.9	2/	---	.1	36.2	0	---
Brazil	.5	81.4	.2	74.7	.5	85.6	.3	82.7	.1	88.3
Mexico	.1	84.1	.5	102.6	.7	120.0	.6	125.1	.1	124.0
Dominican Republic	.1	137.0	.9	157.5	.1	126.1	.5	137.0	.3	140.5
Honduras	.1	106.8	.2	125.6	.3	117.3	.5	109.4	.3	124.8
Total 4/	4.8	127.4	4.2	75.2	1.9	108.8	2.2	112.8	.9	126.0
Cigar filler (unstemmed):										
Cuba 3/	8.4	79.6	0	---	0	---	0	---	0	---
Philippine Republic	.3	22.4	.8	23.0	1.0	24.0	.7	20.8	.9	22.0
Dominican Republic	8.6	35.4	2.5	52.3	.6	49.4	5.1	32.5	7.8	32.1
Colombia	8.2	27.9	7.0	32.0	4.2	21.9	5.0	23.0	1.1	26.0
Brazil	3.2	43.5	9.3	52.9	1.3	36.7	2.2	29.8	1.4	23.6
Paraguay	1.0	17.8	1.8	19.1	.5	19.0	2.0	16.9	.6	20.8
Indonesia	2.3	49.7	2.5	55.3	.1	38.4	.9	38.6	2/	---
Netherlands	.3	40.0	0	---	2/	---	.1	64.0	2/	---
Peru	.1	7.9	2.1	15.0	0	---	0	---	0	---
Argentina	.4	21.4	.2	17.9	.1	18.2	.1	11.4	.4	16.1
Mexico	.7	36.0	2.3	40.4	3.0	36.1	2.3	42.3	.3	38.5
Jamaica	.1	34.4	2/	---	2/	---	2/	---	0	---
Total 4/	33.9	45.6	29.6	41.5	12.1	35.9	20.2	35.4	12.9	31.3
Scrap:										
Cuba 3/	3.7	59.1	0	---	0	---	0	---	0	---
Philippine Republic	11.5	29.5	23.9	27.4	15.5	28.7	10.7	30.7	5.6	29.7
Dominican Republic	.4	49.7	1.0	58.2	.2	51.0	.6	47.4	.8	34.3
Colombia	2/	---	0	---	2/	---	.1	26.8	2/	---
Brazil	.3	36.7	.1	33.6	.3	29.4	2/	---	0	---
Paraguay	.1	21.1	.1	26.1	.4	20.3	.1	24.8	0	---
Indonesia	.1	56.5	2/	---	2/	---	.7	9.1	0	---
Netherlands	.1	34.8	2/	---	2/	---	2/	---	2/	---
Argentina	.3	50.9	.1	74.2	.1	75.0	.1	75.9	.1	55.1
Honduras	2/	---	.1	54.5	.1	47.4	.1	37.9	2/	---
Other countries	.5	18.3	.6	33.3	.5	19.0	2.6	11.6	.9	39.3
Total	17.0	36.6	25.9	28.9	17.0	28.8	14.9	27.3	7.5	28.5
Total cigar tobacco	56.2	52.0	60.1	41.3	31.4	40.8	38.1	42.9	21.6	38.8
Grand total 5/	197.0	62.2	198.0	61.1	221.7	61.8	263.8	61.3	150.2	61.7

1/ 1960-61 average. 2/ Less than 50,000 pounds. 3/ For 1960-61 (pre-embargo) years, average imports were wrapper, 0.7 million pounds; stemmed filler, 6.8 million; unstemmed filler, 19.3 million; and scrap, 8.4 million. 4/ Includes quantities from other countries not separately listed. 5/ Includes stems not cut, ground, or pulverized. Detail may not add to total, due to rounding.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption".



The Government has reportedly set the guaranteed support level for the crop to be harvested in early 1969, the equivalent of 29 cents per pound from the previously announced level of 26 cents per pound. The production goal for the 1969 crop remains at 132 million pounds. Although actual figures are lacking, trade sources indicate around 200 million pounds of the 1966 and 1967 crop remain in Rhodesia, and the crop now being marketed may add further to the accumulation.

The 1967 flue-cured crop in Canada was about 205 million pounds--some 8 percent below the previous year. The 1967 Ontario crop fell short of the 238 million pound target, primarily due to unfavorable weather. Auction sales in Ontario (where most of the crop is grown) amounted to 196 million pounds--averaging 69.1 Canadian cents (about 64 U.S. cents) per pound. The quality was also lower, so prices averaged 3 cents below a year earlier.

The 1968 acreage quota in Ontario was cut 9 percent below 1967 acreage, but with normal yields production may be higher than in 1967. The lower quota is expected to produce an Ontario crop of about 205 million pounds. The entire 1968 Canadian flue-cured crop may approximate 215 million pounds--around 10 million larger than the 1967 crop.

Canada's calendar 1967 exports of flue-cured tobacco totaled 41.3 million pounds--16 percent above 1966, but nearly a fifth below the 1964 record. The average value per pound was equivalent to 104 U.S. cents a pound, compared with 95 cents in 1966 and about 79 cents in 1965. The United Kingdom accounted for most of the increased exports, taking 85 percent of the 1967 total. Exports to the United States, Denmark, and Trinidad, were markedly greater than in 1966.

India's 1967 flue-cured crop is officially estimated at 181 million pounds (27 percent more than the previous year), and the 1968 crop is expected to be 198 million. Reflecting the larger 1967 crop, India's calendar 1967 flue-cured exports rose to 102 million pounds, compared with 62 million in 1966. The 1967 exports were still below the record 136 million in 1964. The United Kingdom accounted for

two-fifths of last year's total. Other destinations where exports expanded were the Soviet Bloc, Yugoslavia, Egypt, and Japan. Indian exports are expected to expand further this year in view of the larger 1968 crop.

The flue-cured production and exports in a number of other areas are increasing. This includes South Korea, Thailand, Brazil, Malawi, Zambia, Uganda, Tanzania Republic of South Africa, and Bulgaria.

#### 1967 Output Gains in Turkey and Greece

Oriental tobacco production, chiefly produced in Turkey, Greece, Bulgaria, and Yugoslavia gained in 1967 over 1966 but still fell below the 1964 record. These crops are normally available for export 2 years after production.

Turkey's production in 1967 has been officially estimated at 403 million pounds--about 10 percent above 1966. Unmanufactured tobacco exports in calendar 1967--201 million pounds--were 6 percent above 1966 and the largest in 5 years. Nearly two-thirds were consigned to the United States, which boosted takings 17 percent. The 1967 decline in EEC shipments continued in first quarter 1968. Consignments to the United States in early 1968 were also down.

With grower sales completed at the end of May, the 1967 crop of oriental tobacco in Greece is now officially estimated at 230 million pounds--13 percent above the reduced 1966 crop. The 1967 crop was sold under a new system of lower minimum price supports and deficiency payments to growers, instead of competitive Government purchases. Acreage in 1968 has been forecast 10 percent below 1967. This year's crop could approximate 205 million pounds. Exports have been below expectations and Government stocks have expanded.

Unmanufactured tobacco exports in January-March 1968 (from 1966 and prior crops), at 34 million pounds, were down more than 40 percent from the same period a year earlier. Most markets took less than in 1967, including United States and EEC--the 2 leading destinations. Competition has recently increased due to somewhat lower-priced oriental tobacco supplies in Greece, Bulgaria, Yugoslavia, and Turkey.



The 1968 burley crop in Greece is expected to be about the same as the 24.9 million pounds in 1967. Production in 1966 was 13.2 million pounds and 1961-65 production averaged 4.5 million pounds. The Greek burley crop is produced for export, principally to West Germany, where it enters duty-free.

### U.K. Imports Gain

The United Kingdom imported 245 million pounds of unmanufactured tobacco in July 1967-April 1968--10 percent more than a year earlier. Larger quantities were received from the United States, (the principal U.K. supplier) as well as from Commonwealth suppliers. Tobacco from the United States made up 58 percent of total U.K. imports for July 1967-April 1968, compared with 60 percent a year earlier and a 1961-65 average of 40 percent. (Table 10.)

Gross clearances of tobacco from bond--an approximate measure of U.K. domestic use and exports--were 234 million pounds, in the 9 months ended March 31, 1968. This was up 4 percent from a year earlier. The gross clearances of flue-cured were as follows:

<u>Source</u>	<u>July 1967- March 1968</u>	<u>Change from 1966-67</u>
	<u>Mil. lb.</u>	
United States	106.2	+11.4
Rhodesia	28.7	-21.4
Canada	36.3	+3.2
India	31.5	+4.1
Other countries	14.6	+9.7
Total	217.3	+7.0

During the 9 months July 1967-March 1968, net clearances from bond (U.K. domestic consumption) were 3.9 percent above a year earlier.

U.K. cigarette exports rose further in July 1967-March 1968, to 5 percent

above a year earlier. Both Commonwealth and Non-Commonwealth countries increased their takings; however, Kuwait--the largest single market--had only a negligible rise.

On March 31, 1968, U.K. manufacturers' leaf tobacco stocks were 430 million pounds--2 percent below a year earlier and lowest for the date since 1954. Flue-cured stocks, at 390 million pounds, were down 3 percent from a year ago. The decline in flue-cured stocks has slowed considerably, as holdings from the United States, India, and other countries have gained, partly offsetting the decline in Rhodesian holdings:

<u>Country of Origin</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>Change from 1967</u>
	- - - - - Mil. lb. - - - -			
United States	205	213	225	+12
Rhodesia	141	70	29	-41
Canada	60	55	49	-6
India	47	37	50	+13
Zambia & Malawi	0	14	25	+11
Other countries	0	11	13	+2
Total	453	401	391	-10

### World Tobacco Exports Gain in 1967

The United States, the world's leading producer and exporter of tobacco, supplied 32 percent of the 1.79 billion pounds of unmanufactured tobacco that moved in free-world trade in 1967. (Table 11.) This was the highest proportion since 1960, although still below the 1955-59 average. In 1967, free-world trade volume was up 3 percent from the previous year, whereas U.S. exports in 1967 increased 4 percent. Although 1 percent larger than in 1966, U.S. flue-cured exports in 1967 fell to 56 percent of the world total, as exports of other countries gained more.

Free-world trade in 1967 was below the 1964 record, largely because of continued U.N. sanctions against Rhodesian tobacco.



Table 10.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports 1/			Stocks Dec. 31 3/	Gross clearances from bond 4/				Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco	
	Total	From U. S. 2/	From Common- wealth countries 2/		Total	By duty preference		By form			
						Nonprefer- ential 2/	Prefer- ential 2/	Stemmed			Unstemmed
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
Average: 1950-54	303	151	137	459	282	174	108	47	235	45	7
1955	344	179	149	507	298	173	125	50	248	44	4
1956	318	160	146	523	300	173	127	59	241	45	3
1957	319	168	141	529	304	169	135	69	235	41	3
1958	316	164	145	529	310	172	138	74	236	41	2
1959	300	140	155	509	315	171	144	78	237	34	2
1960	365	178	180	538	319	167	152	88	231	31	5
1961	345	157	182	563	317	161	156	100	217	31	3
1962	280	106	168	540	307	153	154	107	200	28	4
1963	325	145	174	535	313	154	159	125	188	29	3
1964	313	123	181	541	308	146	162	157	151	26	4
1965	284	91	182	520	298	130	168	191	107	32	4
1966	262	133	110	464	301	132	169	218	83	35	4
1967 5/	280	133	125	435	305	148	157	**237	** 68	38	3
July-April											
1953-54	288	145	138	6/515	*233	*114	*119	* 99	*134	22	3
1954-55	267	114	147	6/491	*237	*108	*129	*133	*104	24	2
1955-56	257	93	162	6/500	*225	* 96	*130	*154	* 72	28	4
1956-57	223	133	72	6/438	*225	*104	*121	*166	* 59	31	2
1957-58	245	142	79	6/430	*234	**116	**118	n.a.	n.a.	34	3

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other nonpreferential areas is about 2 percent above the preferential rate on tobacco from Commonwealth areas. 3/ Beginning with 1957, stocks not strictly comparable with prior years. 4/ Large withdrawals for manufactures for home use and export. 5/ Subject to revision. 6/ Stocks as of March 31 in the latter year specified. \*\*December 1967 and March 1968 estimated. \*July-March. n.a.--not available.

Compiled from official United Kingdom sources.



Table 11.--United States and world production and exports of flue-cured and all unmanufactured tobacco, average 1955-59, annual 1960-67

Period	Flue-cured			All tobacco 1/		
	United States	World total	United States as percentage of total	United States	World total	United States as percentage of total
	2/	2/	3/	2/	2/	3/
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
Production (farm-sales weight)						
Average:						
1955-59	1,208	2,914	41	1,941	8,519	23
1960	1,251	3,161	40	1,972	8,278	24
1961	1,258	2,975	42	2,092	7,723	27
1962	1,408	3,230	44	2,350	8,643	27
1963	1,371	3,376	41	2,376	9,605	25
1964	1,388	3,782	37	2,266	10,240	22
1965	1,059	3,469	31	1,871	9,620	19
1966 4/	1,108	3,501	32	1,887	9,608	20
1967 4/	1,263	3,754	34	1,972	10,129	19
Exports (export weight)						
Average:						
1950-59	413	683	60	500	1,434	35
1960	409	705	58	496	1,521	33
1961	403	727	55	501	1,681	30
1962	375	776	48	469	1,690	28
1963	403	786	51	505	1,670	30
1964	396	864	46	515	1,898	27
1965	351	844	42	468	1,815	26
1966 4/	423	710	60	551	1,685	33
1967 4/	427	760	56	572	1,793	32

1/ Unmanufactured. 2/ Production figures include Communist bloc; export figures relate to free world.  
 3/ Including Puerto Rican. 4/ Subject to revision.  
 Foreign data supplied by Tobacco Division, Foreign Agricultural Service.

Table 12.--Tobacco imports of ranking foreign markets and percentage supplied by the United States, 1964-67

Country	Total tobacco imports 1/				Percentage supplied by the United States			
	1964	1965	1966	1967 2/	1964	1965	1966	1967 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	Pct.	Pct.	Pct.
West Germany	279	301	329	334	32	32	32	37
United Kingdom	313	284	262	280	39	32	51	47
France	108	109	117	122	5	6	8	5
Netherlands	100	105	98	103	30	32	31	34
Japan	64	55	71	65	52	50	67	62
Belgium-Luxembourg	69	73	66	82	25	29	23	23
Spain	59	69	58	74	7	6	7	11
Switzerland	40	45	39	44	47	49	47	46
Egypt	28	32	33	* 30	54	50	49	n.a.
Denmark	34	35	32	38	49	46	53	50
Austria	22	27	28	26	20	20	20	19
Sweden	31	17	27	24	78	41	87	75

1/ Unmanufactured tobacco. 2/ Subject to revision. n.a.--not available. \* Estimated.  
 Compiled from reports of Foreign Agricultural Service.



Among the leading suppliers, the United States increased its shipments from 1965 to 1967 to meet the shortfall in imports from Rhodesia. (Table 13.) India's exports increased last year from those of 1966, but were still below 1964-65 levels. The 12 leading exporting countries have accounted for 85 percent of total free-world exports in 1967, compared with 84 percent in 1966 and the 1955-59 average of 89 percent. As world demand for tobacco has increased, due to rising population and income levels, several countries expanded tobacco production. It is a valuable source of export earnings. Among the smaller exporting countries, Mexico, Argentina, Paraguay, South Africa, China (Taiwan), Japan, Thailand, and South Korea increased tobacco exports by 120 million pounds between 1955-59 and 1966.

The United States ranks third among the free world's tobacco importing countries, importing cigarette and cigar tobaccos for blending with domestic types. West Germany has been the free world's leading tobacco importing country since 1965 and the United Kingdom second. (Table 12.) Prior to that time, West Germany ranked second and the United Kingdom was first. The 12 leading importing countries outside the United States accounted for 71 percent of total free world imports in 1967. If U.S. imports are added, the 13 countries would account for 82 percent. This is about the same as in 1965 and 1966.

West Germany's imports reached a record 334 million pounds in 1967, with the United States continuing as the main supplier.

Table 13.--Exports of unmanufactured tobacco from the 12 leading exporting countries, 1964-67

Country	1964	1965	1966	1967
	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>
United States	514	468	551	572
Turkey	126	152	188	202
Greece	155	161	161	178
India	158	137	79	123
Rhodesia, Zambia, Malawi	253	304	*120	*120
Brazil	133	122	101	99
Philippine Republic	76	59	51	* 45
Dominican Republic	56	33	26	44
Yugoslavia	50	51	46	42
Canada	52	42	38	42
Cuba	* 30	* 30	* 30	* 30
Colombia	36	24	29	26
Total, 12 countries	1,639	1,573	1,420	1,523
Twelve countries as percentage of world total				
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
	86	87	84	85

\*Estimated.

Compiled from reports of Foreign Agricultural Service.



Imports of oriental tobacco declined an eighth to 90 million pounds. Imports from the Far East have continued to expand, reaching 63 million pounds in 1967, or twice the 1965 level. Indonesia, Mainland China and South Korea contributed to make up the loss of Rhodesia's supplies.

France, the fourth largest tobacco

importing country, obtained only 5 percent of its 1967 supplies from the United States. The average value of U.S. imports was 78 cents per pound, compared to the equivalent of 33 cents for all French suppliers. Brazil and Argentina are 2 leading French sources. The Balkan countries of Greece and Bulgaria are also important suppliers of oriental types.

## TOBACCO LEAF OUTLOOK AND SITUATION

### 1968 Crop Prospects

Heavy rains in the South Atlantic States and along the Ohio River Valley during the last half of May and early June promoted tobacco plant growth, but delayed setting tobacco. Conditions became more favorable by mid-June and tobacco setting was completed in North Carolina and was active in Kentucky. Shade grown tobacco harvest progressed normally in Florida at the first of June and was beginning in Georgia. Florida flue-cured harvest began in mid-June.

Auctions for the 1968 flue-cured crop will begin when the Georgia and Florida markets open during the second half of July. In Georgia, an advisory board recommends to the Commissioner of Agriculture a date for the season opening. Last season, the opening sale was July 26.

Prospects for the new crop will be a dominant influence on prices received by farmers when the 1968 auction season opens. Even with a little larger carry-over of flue-cured tobacco and a favorable growing season, the prospective smaller crop could mean that a smaller proportion of the 1968 crop will be placed under loan. Prices would be expected to average a little above last year's, due to the 3 percent higher support level.

The first forecast of all tobacco production for 1968, together with indicated acreage of tobacco for harvest and indicated yield will be released by the Crop Reporting Board July 10.

### Flue-cured Stocks and Utilization

April 1 stocks of flue-cured tobacco (types 11-14), as reported by the Consumer and Marketing Service, totaled almost 2.6 billion pounds (farm-sales weight)--slightly larger than a year earlier.

Total disappearance during the first 9 months of the current marketing year (July 1967-March 1968) was 935 million pounds. This was 38 million pounds less than in the same period of 1966/67. While exports were down, domestic disappearance was up about 1 percent--totaling 516 million pounds. The indicated disappearance of flue-cured tobacco would imply domestic manufacturers increased their use only about in line with the gain in cigarette sales, in spite of the unusually low domestic use in 1966/67 and the lower 1967 crop prices.

The total disappearance of flue-cured tobacco in the 1967/68 marketing year ending June 30, 1968, is expected to be below the 1,271 million pounds in 1966/67. (Table 14.) Domestic disappearance this year is expected to be little, if any, larger during April-June than in that period of 1967.

Among the developments affecting domestic leaf use are cigarette leaf tobacco imports. For July 1967-April 1968 these gained 23 million pounds, compared with 1966/67. Sheet tobacco, which uses stems as well as leaf, is apparently increasing further this year. The April 1, 1968, sheet tobacco stocks showed a 12 percent gain over a year earlier and 56 percent over 2 years earlier.



Table 14.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, July 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	777	431
1963	1,371	2,282	3,653	1,267	769	498
1964	1,388	2,386	3,774	1,219	775	444
1965	1,059	2,555	3,614	1,175	752	423
1966	1,108	2,439	3,547	1,274	687	587
1967	<sup>2/</sup> 1,250	2,273	3,523	*1,215	*695	*520
1968	*1,082	*2,308	*3,390			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	52.7	48.3	298.9	20.2	0	
1956	51.5	48.9	319.9	22.5	0	
1957	55.4	50.8	107.8	11.1	0	
1958	58.2	54.6	144.8	13.4	0	
1959	58.3	55.5	55.3	5.1	0	
1960	60.4	55.5	51.8	4.1	0	
1961	64.2	55.5	70.3	5.6	1.8	
1962	60.1	56.1	237.2	16.8	25.5	
1963	58.0	56.6	277.2	20.2	160.0	
1964	58.5	57.2	285.6	20.7	191.4	
1965	64.6	57.7	71.5	6.8	40.8	
1966	66.9	58.8	74.6	6.8	70.6	
1967	64.2	59.9	282.3	22.3	274.9	
1968		61.6				
Total			2,277.2		765.0	

<sup>1/</sup> Year beginning July 1. <sup>2/</sup> Sales. <sup>3/</sup> Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. <sup>4/</sup> As reported by Flue-cured Tobacco Cooperative Stabilization Corp.; the unsteamed loan stocks on the packed-weight basis average about 11 percent less than their farm-sales weight figures.

\* Preliminary estimates--production based on an average yield with an allowance for trend.



For the 10 months through April, flue-cured exports totaled 448 million pounds (farm-sales weight)--12 percent below the same period a year ago. Many countries have increased their takings from other sources. Flue-cured tobacco exports during January-April 1968 were 140 million pounds--about the same as a year earlier. The gain in January-February 1968 was partly due to the delay in handling in the last half of 1967.

The United Kingdom continues to be the largest single destination of U.S. flue-cured tobacco, taking 160 million pounds (farm-sales weight equivalent) in July-April--about the same as a year earlier--or more than a third of all flue-cured exports. Shipments to West Germany--the second ranking destination--were below the unusually high level of a year ago. Among other leading export destinations, the Netherlands, Belgium, Ireland, Denmark, Sweden, Japan, South Viet Nam, and Australia took smaller quantities for the July-April period than a year earlier, while Switzerland and Thailand increased their takings.

It appears that domestic utilization of flue-cured tobacco in 1967/68 may have been 1 to 2 percent larger than the 687 million pounds used in 1966/67. Exports, however, may be around 10 to 12 percent below the 587 million pounds exported last year. At this level, 1967/68 exports would still be about 15 percent above the average of the 1961-65 marketing years. So total disappearance would be around 1,215 million pounds. This would leave a trade + CCC loan carryover on July 1, 1968, of around 2,310 million pounds, or slightly more than a year earlier, but a little below the 1962-66 average for that date. An estimated 16 million pounds additional carryover from the 1967 crop being held by farmers for sale in the 1968 season. The 1966 farm carryover was 3 million pounds.

Present indications are that the carryover of Government loan stocks of flue-cured on June 30 will remain relatively large. During June 1967-May 1968, about 84 million pounds (farm-sales weight) were sold, compared with 284 million

pounds in June 1966-May 1967. Sales in the same period of 1965/66 were 187 million. Government loan stocks on May 31, 1968, totaled 765 million pounds (farm-sales weight), compared with 568 million pounds a year earlier. The May stocks were considerably below the peak holdings of 960 million pounds on January 1, 1965.

#### 1968 Flue-cured Marketing Changes

If farmers carry out their March 1 plans, about 555,000 acres will be grown this year--11 percent less than last year. The crop with this acreage (assuming a normal growing season and yields as modified by the acreage-poundage program) would compute out to about 1,080 million pounds. Production at this level, plus the prospective carryover, would give a total 1968/69 supply at around 3,400 million pounds. This would be 4 percent below 1967/68.

Besides a significantly smaller prospective crop than in 1967, other changes for the 1968 flue-cured season are: (1) Agreement between all segments of the industry for the use of standardized burlap sheets in marketing untied tobacco in North Carolina, South Carolina, and Virginia and (2) price support for the entire 1968 selling season on untied flue-cured tobacco. Also, earlier opening of some markets is being considered and the industry-wide Flue-cured Tobacco Marketing Committee (36-man committee) and warehouse operators have plans for more orderly flow from farm to market.

Partly because of these changes, the Department of Agriculture in April recommended deferring the issuance of a Federal marketing order for flue-cured tobacco and reconvening a public hearing after the 1968 selling season is underway to consider further evidence of the need for an order. A marketing order would provide a legal framework through which an administrative committee could act to achieve orderly marketing conditions.

USDA announced in April that price support on untied flue-cured tobacco would apply for the entire 1968 marketing season on the North Carolina, South Carolina, and Virginia markets. Support in 1967 was



extended to the first 95 hours of selling time in these Belts; and the Department then indicated the goal of complete price support coverage of untied tobacco by 1969. All tobacco sold on Florida and Georgia markets traditionally has been marketed and supported in untied form. About 72 percent of all marketings last year were in untied form.

Growers wish to sell additional quantities of their tobacco untied, because prices received for most grades of untied tobacco have been about the same as for tied tobacco, and it is difficult to obtain labor for tying. Spokesmen for other segments of the industry agreed to the extension of price support on untied tobacco throughout the entire marketing season in 1968, provided a method of presheeting untied tobacco could be worked out.

All segments of the tobacco industry have agreed to use standardized burlap sheets in marketing untied flue-cured tobacco in the Carolinas and Virginia in 1968. Farmers will place their tobacco on the standard sheets at the farm and the tobacco will remain on the same sheets until it reaches the processing plant. This plan is designed to improve the display of tobacco on the auction floor, reduce weight losses, eliminate damage from dumping, and save labor.

Price support will continue to be made available on tied tobacco throughout the marketing season. Tied and untied tobacco will be displayed separately on the auction floors as in the past. Price supports on the 1968 crop of tied tobacco will be 3 cents per pound higher than for untied tobacco of like grade, the same differential as last year. Since processing facilities cannot handle untied tobacco as fast as tied, the extension of untied marketings may necessitate a longer marketing season than if the crop had all been sold as tied tobacco.

The 1968 grade loan rates, announced May 28, range from 31 cents to 87 cents a pound for untied leaf, reflecting the national average support level of 61.6 cents a pound. This is about 3 percent above 1967. Grade price supports were increased from 1 to 7 cents per pound

over 1967 levels. Of the 1960 grades, 47 were increased 2 cents per pound, while 30 were increased 4 cents. Increases in grade price supports have been made to enable farmers who produce ripe, open-faced grainy tobacco equal to the average of the crops for the recent 10 years to secure an assured price support of 61.6 cents per pound.

As announced previously, USDA will continue the support of certain flue-cured varieties at 50 percent of the loan value for comparable grades of other varieties. This variety discount program began in 1957 and discourages the production of certain varieties which tend to produce tobacco with low flavor and aroma.

Also, as in the past, no price support will be offered in 1968 on any tobacco graded N2 (Nondescript 2), No-G (No Grade) U (unsound), W (doubtful keeping order), or scrap. Marketing of such tobacco, however, will be charged against individual farm quotas to discourage the marketings of these grades. Marketings of these grades from the past 3 crops were in line with such marketings from crops produced prior to 1962.

#### Burley Stocks Lower

April 1 stocks of burley tobacco (type 31) totaled 1,626 million pounds (farm-sales weight), compared with 1,678 million a year earlier. By May 31. Government loan stocks amounted to 331 million pounds, (farm-sales weight), compared with 304 million a year earlier. This increase was due to smaller sales from CCC loan stocks. Loan placements from the 1967 crop were about the same as in 1966.

Based on April 1 stocks, disappearance for the first half of the marketing year (October-March) was 297 million pounds--8 million smaller than a year earlier. Domestic use totaled 274 million pounds, about 2 million pounds below 1966/67, but about the same as the 1962-66 crop year average. Exports were also down. The indicated disappearance of burley implies domestic manufacturers are not increasing their use in line with the gain in cigarette sales.

Total disappearance of burley in



Table 15--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963	755	1,228	1,983	571	514	57
1964	620	1,412	2,032	616	560	56
1965	586	1,416	2,002	607	550	57
1966	587	1,395	1,982	600	544	56
1967	541	1,382	1,923	*590	*540	*50
1968 2/	*590	*1,333	*1,923			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968	
			Quantity	Percentage of crop	4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	58.6	46.2	73.1	15.6	0	
1956	63.6	48.1	6.0	1.2	0	
1957	60.3	51.7	16.6	3.4	0	
1958	66.1	55.4	11.2	2.4	0	
1959	60.6	57.2	13.2	2.6	0	
1960	64.3	57.2	8.4	1.7	0	
1961	66.5	57.2	10.3	1.8	0	
1962	58.6	57.8	63.5	9.4	21.6	
1963	59.2	58.3	202.3	26.8	79.6	
1964	60.3	58.9	110.4	17.8	70.3	
1965	67.0	59.5	42.2	7.2	39.4	
1966	66.9	60.6	62.5	10.6	56.0	
1967	71.8	61.8	63.8	11.8	63.8	
1968		63.5				
Total	---	---	683.5	---	5/330.7	

1/ Year beginning October 1. 2/ Subject to revision. 3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ About 2 million pounds of these holdings have been sold.

\* Preliminary estimates--production based on an average yield with allowance for trend.



the year ending September 30, 1968, is expected to be below the 600 million pounds in 1966/67. (Table 15.) Production of smoking tobacco, and output of plug, twist, and fine-cut chewing tobacco--secondary outlet for burley--may be smaller.

For the first 7 months this marketing year, burley exports (farm-sales weight) totaled 28 million pounds--one-fifth below those a year earlier. Exports to West Germany--the leading importer--were only about half of year-earlier takings. Among the other leading export destinations, Thailand, Sweden, Denmark, the Netherlands, Switzerland, and the Philippines took less. Larger exports than a year ago were made to Belgium, Portugal, and Hong Kong. The higher auction prices for 1967 crop burley, the gain in burley production outside the United States this marketing year are limiting 1967/68 exports.

Based on present prospects, domestic utilization of burley tobacco in 1967/68 probably will be about the same as the 543 million pounds used in 1966/67. Exports may total a tenth below the 56 million pounds last year. At this level exports would be about 7 percent below the average of the 1961-65 marketing years. Based on these prospects, total disappearance would be around 590 million pounds, leaving a carryover on October 1, 1968, around 1-1/3 billion pounds. This would be about 50 million pounds below a year earlier, but about the same as the 1961-65 average.

Burley acreage for 1968 is indicated the same as in 1967. Allotments for most farms are the same as last year. With allowance for trend in average yield per acre, the 1968 burley crop would be around 590 million pounds, about 9 percent above 1967 production.

If this year's crop should be near 590 million pounds, total 1968/69 supplies--production plus indicated carryover--would be about the same as the 1,923 million pounds in 1967/68.

#### Maryland Prices Up Sharply

Auction sales of the 1967 Maryland tobacco crop (type 32) began April 16 and will end June 28. Overall quality of off-settings was considerably higher than last year, and prices for most grades advanced. The 1967 crop is currently estimated about the same as in 1966. Auction data through

June 21 this year and for the comparable number of sales days in 1967 are:

	Net sales Mil. lbs.	Average price Cents/Lb.
1967	28.7	49.1
1968	28.1	64.5

In addition to the auction volume, about 0.3 million pounds have been delivered to the Baltimore hogshead market, which opened for competitive sealed bids in April. Combined market receipts of Maryland tobacco thus totaled 28.4 million pounds through June 21.

The 1966 and 1967 Maryland tobacco crops have not received government price support. On June 1, CCC loan stocks remaining from prior crops were transferred from Maryland Tobacco Cooperative, Inc. to Dark Tobacco Sales Cooperative.

Total disappearance of Maryland tobacco during the first half of the marketing year (October 1967-March 1968) was 17½ million pounds--about 4 percent below a year earlier. Exports were down, but domestic use was a little higher. For the 1967/68 marketing year (October-September), total disappearance is expected to be below the record 40.2 million pounds in 1966/67. (Table 16.) Domestic use may be about the same as in 1966/67, but moderately above the 1961-65 marketing year average. The chief domestic outlet for Maryland tobacco is in the manufacture of cigarettes; some is also used as cigar filler, depending upon availability and prices of certain grades.

Exports of Maryland tobacco may approximate 14 million pounds (farm-sales weight)--about a sixth below the 40-year high in 1966/67, but about a fourth above the 1961-65 marketing year average. In the first 7 months of the current marketing year, exports were 23 percent below the unusually high level of a year earlier. Exports to Switzerland--the principal outlet--were down 40 percent. Spain and Portugal also cut their takings, while West Germany and Belgium increased theirs. Carryover next January 1 may decline a bit further from this year's 86 million pounds because disappearance exceeds estimated production.

Based on farmers' March acreage intentions and average yields, the 1968 Maryland crop would be about 7 percent above the 1967 estimated crop. The 1968/69 supply-production plus carryover--is indicated to be about the same as the 123 million pounds in 1967/68.



Table 16.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks following Jan. 1 <u>1/</u>	Supply	Disappearance <u>2/</u>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.6	67.3	107.9	30.7	19.5	11.2
1963	34.5	76.6	111.1	31.0	18.5	12.5
1964	42.3	82.0	124.3	32.9	23.3	9.6
1965	38.5	90.1	128.6	35.7	24.7	11.0
1966	36.0	89.7	125.7	40.2	23.7	16.5
1967	36.3	86.3	122.6	*38.0	*24.0	*14.0
1968 <u>3/</u>	*38.8	*84.0	*122.8			
	Average price per pound	Price support level <u>4/</u>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968 <u>5/</u>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	50.8	No price support	<u>6/</u>			
1956	51.7	47.0	3.3	9.0	0	
1957	44.9	48.0	5.9	15.3	.9	
1958	62.5	50.8	1.1	3.6	.1	
1959	61.6	No price support	<u>6/</u>			
1960	63.8	50.8	1.6	4.6	.2	
1961	62.0	50.8	3.7	9.5	.5	
1962	55.8	51.3	6.0	14.8	1.4	
1963	43.2	51.8	10.4	30.1	8.1	
1964	62.0	52.3	4.2	10.1	2.8	
1965	65.5	52.8	2.7	7.0	1.4	
1966	48.6	No price support	<u>6/</u>			
1967	*64.5	No price support	<u>6/</u>			
1968		No price support	<u>6/</u>			
Total	---	---	38.9	---	15.4	

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30.

2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved. \* Preliminary estimates--production based on an average yield with allowance for trend; price is auction market average through June 21.



Fired-Cured Use Trending Down

Total disappearance of fire-cured tobacco (types 21-23) during the first half of the marketing year that began October 1, 1967, was 23.8 million pounds--about a fourth below a year earlier. Both exports and domestic use were lower. For the marketing year, total disappearance is expected to be about 52 million pounds, compared to 54 million last year. If this level of use is reached, it would be about 16 million pounds more than was produced in 1967. Carryover stocks on October 1, 1968, would probably be about 90 million pounds--15 percent below last October 1. Fired-cured tobacco is used mainly for making snuff, and secondly for roll and plug chewing tobacco, cigars, and smoking tobacco. As the production of most of these products declined, the use of fire-cured tobacco has also fallen.

The 1968 intended acreage of about 23,000 acres with an average yield adjusted for trend would produce a crop of about 40 million pounds, about one-tenth larger than in 1967 but still about one-sixth below 1966. The 1968/69 supply--production plus carryover--is indicated to be some 8 to 10 percent below that for 1967/68.

Based on the 6 months' disappearance through March 31, 1968, domestic use of Virginia fire-cured tobacco (type 21) in 1967/68 may increase above the 1966/67 level, but domestic use of the much larger-volume Kentucky-Tennessee types 22-23 may decrease around a tenth. (Tables 17 and 18). The 1967 crop prices averaged about the same as the previous crop for type 21 but type 22-23 farm prices averaged 10 percent higher than for 1966.

Exports of fire-cured tobacco in 1967/68 may be moderately below 1966/67 shipments, but about the same as the 1961-65 marketing year average. The decline will likely be in the Virginia type; 1967/68 exports of the Kentucky-Tennessee types may be about the same as 1966/67. Exports of 11.2 million pounds of Kentucky-Tennessee types during October 1967-April 1968 were 10 percent below a year earlier. The Netherlands--

first ranking outlet--increased takings 8 percent. But reduced exports went to other leading outlets--France, Sweden, Belgium, and Switzerland.

Virginia fire-cured exports of 3.1 million pounds in October 1967-April 1968 were sharply below the 5.0 million a year earlier, but about the same as the 1961-65 marketing year average for the period. Exports to Norway, the leading destination, fell one-fifth. Other decreases were recorded for Sweden, West Germany, and South Viet Nam. Exports to the United Kingdom gained.

Dark Air-Cured Use Steady

Total disappearance of dark air-cured tobacco (types 35-37) during the first half of the current marketing year was 12.8 million pounds--about 5 percent above a year earlier. Domestic use was higher, more than offsetting a decline in exports. For the year ending September 30, 1968, total disappearance is expected to be about the same as the 23 million pounds last year. This would mean a carryover of around 59 million pounds--down 6 million from last October 1. (Tables 19 and 20.)

The 1968 intended acreage, with an average yield allowing for trend would produce a one-sixth larger crop than in 1967. Because of smaller carryin stocks the 1968/69 supply would still be below the 82 million pounds in 1967/68.

In the year ending September 30, 1968, domestic use of One Sucker and Green River, types 35-36, may be a little above the 1966/67 total; but domestic use of Virginia sun-cured, type 37, may be about the same as the year-earlier figure. In the first half of the current marketing year, manufacture of plug, twist, and fine-cut chewing tobacco--major domestic outlets for these types--was slightly less than a year earlier.

Exports of dark air-and sun-cured tobacco in 1967/68 will probably be below the level of a year earlier, totaling around 4 million pounds (farm-sales weight).



Table 17.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963	6.2	20.2	26.4	9.6	3.0	6.6
1964	9.1	16.8	25.9	10.3	4.0	6.3
1965	9.6	15.6	25.2	8.3	3.0	5.3
1966	7.5	16.9	24.4	9.6	2.3	7.3
1967	7.0	14.8	21.8	*9.0	*3.0	*6.0
1968 <sup>2/</sup>	*6.9	*12.8	*19.7			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	0	
1957	38.7	38.8	1.0	11.6	0	
1958	36.9	38.8	2.2	23.4	0	
1959	37.6	38.8	.8	8.1	0	
1960	39.4	38.8	.3	3.3	2/	
1961	38.8	38.8	.9	9.8	.2	
1962	38.8	39.2	1.2	12.6	.1	
1963	35.5	39.6	.4	6.5	.4	
1964	43.1	40.0	.3	3.3	.2	
1965	39.9	40.4	1.0	10.4	.9	
1966	41.2	41.1	.6	8.0	.6	
1967	40.9	41.9	.7	10.1	.7	
1968		43.1				
Total	---	---	12.9	---	3.1	

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Subject to revision.<sup>3/</sup> Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.<sup>4/</sup> Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.<sup>5/</sup> Less than 50,000 pounds.

\* Preliminary estimates--production based on an average yield with allowance for trend.



Table 18.--Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	17.2	29.5
1962	44.6	89.4	134.0	40.8	21.1	19.7
1963	49.7	93.2	142.9	41.4	19.6	21.8
1964	46.0	101.5	147.5	42.7	21.7	21.0
1965	36.6	104.8	141.4	45.6	18.0	27.6
1966	40.2	95.8	136.0	44.7	21.0	23.7
1967	29.5	91.3	120.8	*43.0	*19.5	*23.5
1968 <sup>2/</sup>	*32.9	*77.8	*110.7			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	0	
1957	36.4	38.8	13.9	33.1	0	
1958	38.1	38.8	4.4	12.0	0	
1959	38.3	38.8	5.3	12.3	5/	
1960	43.3	38.8	3.2	8.7	2.0	
1961	40.2	38.8	5.1	11.8	1.5	
1962	38.7	39.2	8.6	19.3	3.5	
1963	36.9	39.6	13.0	26.2	4.7	
1964	41.0	40.0	7.2	15.7	5.4	
1965	43.6	40.4	2.3	6.3	1.8	
1966	42.2	41.1	6.3	15.7	5.3	
1967	46.2	41.9	.8	2.7	.6	
1968		43.1				
Total	---	---	96.6	---	24.8	

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Subject to revision.<sup>3/</sup> Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.<sup>4/</sup> Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.<sup>5/</sup> Less than 50,000 pounds.

\* Preliminary estimates--production based on an average yield with allowance for trend.



Table 19.--Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	16.5	3.0
1963	24.2	58.2	82.4	21.2	18.1	3.1
1964	22.7	61.2	83.9	22.0	18.0	4.0
1965	18.5	61.9	80.4	19.8	16.2	3.6
1966	21.3	60.6	81.9	21.4	17.0	4.4
1967	15.5	60.5	76.0	*21.0	*17.5	*3.5
1968 <sup>2/</sup>	*18.6	*55.0	*73.6			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1968 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.8	30.8	6.3	22.7	0	
1956	34.0	32.1	6.6	21.5	0	
1957	36.1	34.5	3.0	15.2	0	
1958	38.4	34.5	.5	2.7	0	
1959	34.5	34.5	3.7	19.2	0	
1960	37.4	34.5	2.2	12.2	0	
1961	37.8	34.5	1.9	9.2	.9	
1962	36.2	34.8	4.1	18.2	1.5	
1963	33.3	35.2	8.3	34.3	5.7	
1964	37.0	35.5	3.7	16.3	3.1	
1965	37.0	35.9	3.2	17.3	2.6	
1966	37.3	36.6	4.7	22.1	4.6	
1967	30.8	37.3	1.4	9.1	1.3	
1968		38.3				
Total	---	---	49.6	---	19.7	

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Subject to revision.<sup>3/</sup> Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.<sup>4/</sup> Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

\* Preliminary estimates--production based on an average yield with allowance for trend.



Table 20.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	3.3	4.2	7.5	2.9	2.1	0.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963	1.1	5.1	6.2	2.0	1.7	.3
1964	1.8	4.2	6.0	1.7	1.4	.3
1965	2.0	4.3	6.3	2.0	1.7	.3
1966	1.5	4.3	5.8	1.6	1.2	.4
1967	1.3	4.2	5.5	*1.5	*1.2	*.3
1968 <sup>2/</sup>	*1.2	*4.0	*5.2			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on May 31, 1963	
			Quantity	Percentage of crop		
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.	
1955	25.3	30.8	72	2.2	0	
1956	35.7	32.1	103	3.2	0	
1957	34.0	34.5	11	.4	0	
1958	36.8	34.5	29	1.5	0	
1959	34.4	34.5	24	1.1	0	
1960	37.9	34.5	5	.3	0	
1961	39.8	34.5	7	.3	0	
1962	37.4	34.8	59	2.6	0	
1963	31.4	35.2	92	8.1	0	
1964	41.2	35.5	16	.9	0	
1965	39.2	35.9	75	3.8	0	
1966	42.3	36.6	26	1.7	0	
1967	45.2	37.3	26	2.0		
1968		38.3				
Total	---	---	545	---	0	

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Subject to revision.<sup>3/</sup> Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

\* Preliminary estimates--production based on an average yield with allowance for trend.



Exports of Black Fat, a semi-processed tobacco product, accounting for about one-half of U.S. dark air-cured tobacco exports, were 2.0 million pounds in October 1967-April 1968. This was 13 percent below a year earlier. Exports to Nigeria, the principal outlet in 1967 dropped sharply this year. Several other African countries including Spanish Africa, Cameroon Republic, and Togo took more than a year ago.

During October 1967-April 1968, exports of One Sucker leaf were below those of a year earlier primarily because none was reported exported to Tunisia and South Vietnam. They had taken  $\frac{1}{2}$  million pounds a year earlier. Belgium, the major destination, cut its takings an eighth. Exports of Green River leaf in October 1967-April 1968 were above those a year earlier, primarily because the United Kingdom increased its takings.

#### 1968 Cigar Tobacco Prospects

The acreage of U.S. cigar tobacco may be down further in 1968, following the long-time trend. Most of the decline would occur in Ohio cigar filler and Wisconsin binder, since cigar wrapper and Connecticut Valley binder acreage likely will be about the same as last year, according to March 1 grower intentions.

April 1, 1968 holdings of domestic-grown cigar tobacco, including the 1967 crop and Puerto Rican stocks, totaled 282 million pounds (farm-sales weight). This was a decline of  $30\frac{1}{2}$  million pounds from a year earlier. Stocks of each type of tobacco were lower, except for Northern Wisconsin binder and Georgia-Florida wrapper.

Foreign-grown cigar tobacco stocks in the United States on April 1 were reported at 83 million pounds (farm-sales weight)--9 percent below a year earlier. Much of the drop was stocks from the Philippine Islands, although holdings of most origins declined:

Country of origin	Year		
	1966	1967	1968
	---Million pounds---		
Philippines	47.2	33.6	26.7
Dominican Republic	15.0	11.3	16.8
Brazil	15.3	12.9	10.1
Colombia	15.9	9.7	8.9
Indonesia	6.6	5.6	5.0
Cuba	7.8	4.8	2.9
Paraguay	4.3	1.7	2.3
Other	10.6	11.5	10.4
Total	122.7	91.1	83.1

Dominican Republic tobacco--the second ranked holding--gained sharply from the year-earlier low.

During October 1967-April 1968,  $41\frac{1}{2}$  million pounds (farm-sales weight equivalent) of cigar tobacco were imported for consumption--about 8 million above a year earlier. This increase is supplementing reduced U.S. supplies. Imports from both major and minor suppliers were higher:

	Oct. 1966- Apr. 1967	Oct. 1967- Apr. 1968	Change from 1966-67
	-----Million pounds-----		
Philippine Rep.	13.6	16.2	+2.6
Dominican Rep.	3.6	5.5	+1.9
Brazil	3.9	4.7	+.8
Colombia	3.2	4.2	+1.0
All others	8.9	10.9	+2.0
Total	33.2	41.5	+8.3

Since supplies of domestic cigar filler are declining more rapidly than foreign stocks, manufacturers are likely to draw more heavily on foreign leaf.

#### Cigar Filler Supply and Disappearance Lower

For the first half of the current marketing year, total disappearance of cigar



filler tobacco was 40 million pounds--11 percent below a year earlier. Most of the decline from 1966/67 was in Pennsylvania filler, as Puerto Rican gained. During October 1967-April 1968, filler exports--a relatively small part of total disappearance--were 0.5 million pounds (farm-sales weight) compared with 1.0 million a year earlier. South Vietnam, which accounted for one-half the filler exports in 1966/67, did not take any filler so far this year. Canada and France accounted for all the shipments so far this year.

Based on historical trend, and 1967-68 part year data, the 1967-68 disappearance of Pennsylvania filler may be about 10 percent below the 54 million pounds of 1966/67. The 1967/68 disappearance of Puerto Rican tobacco may be slightly above the 24½ million pounds in 1966/67. By April 1, 1968, cigar filler stocks were 25 million pounds below those of April 1, 1967. Since filler disappearance may exceed production by about 25 million pounds, carryover on October 1 may total around 140 million pounds--lower than in any previous year. (Table 21.)

#### Cigar Binder Disappearance Steady

Cigar binder disappearance for October 1967-March 1968 was 12 million pounds--about the same as a year earlier. Leaf use of both Connecticut Valley (types 51-52) and Wisconsin (types 54-55) binder types held at year-earlier levels.

The 1967/68 disappearance of Connecticut Valley binder tobacco is estimated to be about the same as the 6.8 million pounds of 1966/67. (Table 22.) Carryover on October 1, 1968, is expected to drop to a new low of about 12 million pounds--some 4 million below the year earlier level. During the first 7 months of the current marketing year, exports of Connecticut Valley binder were 440,000 pounds, compared with 540,000 a year earlier when there was a sizable shipment to East Germany. None was reported going there during October 1967-April 1968. Exports to West Germany gained this year after a decline last year.

Disappearance of Wisconsin tobacco in 1967/68 likely will be about the same as the 16.8 million pounds in 1966/67. (Table 23.) This would leave stocks near the 50 million pounds of October 1, 1967. During the first 7 months of the current marketing year, exports of Wisconsin tobacco were 180,000 pounds, compared with 223,000 a year earlier. Less was shipped to the Netherlands, in contrast with a year earlier, but more went to West Germany.

#### Cigar Wrapper Disappearance Lower

The July 1967-March 1968 disappearance of shade-grown cigar wrapper (types 61-62) was 15.3 million pounds--2.4 million below the same period a year earlier. Exports are higher, but domestic use is down. For the year ending June 30, 1968, total disappearance of cigar wrapper is estimated at about 19 million pounds--around 10 percent below 1966/67. (Table 24.) Because of the short crop in 1967, this would leave about 23 million pounds carryover stocks, about 1½ million below July 1, 1967.

During the first 10 months of the marketing year, cigar wrapper exports were 4.0 million pounds (farm-sales weight) or 28 percent above a year earlier. Connecticut Valley wrapper exports were 300,000 pounds under those of the corresponding period of 1966/67, but exports of Georgia-Florida wrapper were up 1.1 million pounds from the low level a year earlier.

West Germany--the leading cigar wrapper destination so far in 1967/68--took substantially more than a year earlier. Among other leading outlets, the United Kingdom took the same as last year, while the Canary Islands took more, and Canada took less.

#### 1967 Cigar Tobacco Crop Summary

Marketing of the 1967 U.S. cigar tobacco crop was practically completed by April 1, 1968. The 1967 crop was 78.7 million pounds compared with 85.6 million in 1966, according to the Crop Reporting Board. Although filler and binder prices averaged 2.7 cents, and 1.0 cent per pound higher last year than in 1966, cigar wrap-



Table 21.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Pennsylvania Seedleaf (type 41)							
1957	41.2	105.3	146.5	42.8	42.7	0.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	<sup>2/</sup> 52.0	<sup>2/</sup> 51.7	.3	23.5
1963	51.8	128.0	179.8	<sup>2/</sup> 44.7	44.2	.5	21.0
1964	45.9	138.1	184.0	54.6	54.1	.5	27.0
1965	51.3	129.4	180.7	53.0	51.2	1.8	24.0
1966	38.5	127.7	166.2	53.9	52.4	1.5	25.0
1967	38.8	112.3	151.1	*46.0	*45.0	*1.0	28.0
1968 <sup>3/</sup>	*38.8	*105.1	*143.9				
Ohio, Miami Valley (types 42-44)							
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.5	20.2	27.7	6.6	6.6		28.2
1963	6.8	21.1	27.9	8.7	8.7		27.1
1964	5.8	19.2	25.0	8.0	8.0		26.7
1965	5.4	17.0	22.4	6.2	6.2		26.2
1966	6.0	16.2	22.2	6.7	6.7		28.0
1967	3.6	15.5	19.1	*6.5	*6.5		29.0
1968 <sup>3/</sup>	*3.9	*12.6	*16.5				
Puerto Rico (type 46) <sup>4/</sup>							
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	28.1	42.4	70.5	26.7	26.2	.5	31.6
1960	27.5	43.8	71.3	28.0	27.9	.1	33.7
1961	30.7	43.3	74.0	32.4	32.3	.1	36.8
1962	35.6	41.6	77.2	28.0	28.0	---	38.0
1963	32.0	49.2	81.2	29.8	29.6	.2	40.8
1964	37.9	51.4	89.3	26.7	26.7	---	37.2
1965	16.2	62.6	78.8	27.0	27.0	---	<sup>5/</sup> 32.1
1966	12.0	51.8	63.8	23.3	23.3	---	<sup>5/</sup> 31.3
1967 <sup>3/</sup>	11.5	40.5	52.0	*25.0	*25.0	---	n.a.
1968	<sup>4/</sup>	*27.0					

<sup>1/</sup> Year beginning October 1. <sup>2/</sup> Adjusted to take into account 1962 tobacco still held at the farm level at end of 1962-63 marketing year. <sup>3/</sup> Subject to revision. <sup>4/</sup> Puerto Rican planting occurs late in calendar year. <sup>5/</sup> Excludes 6 cents per pound payment by Puerto Rican Government.

\* Preliminary estimates--production based on an average yield with an allowance for trend.  
n.a.--not available.



Table 22.--Cigar binder tobacco, types 51-52: Domestic supplies, disappearance and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Broadleaf (type 51)							
1957	5.1	25.5	30.6	8.4	7.7	0.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5
1963	3.7	15.5	19.2	4.6	4.3	.3	51.0
1964	3.8	14.6	18.4	3.7	<u>2/</u>	<u>2/</u>	50.0
1965	3.5	14.7	18.2	4.3	<u>2/</u>	<u>2/</u>	46.5
1966	2.7	13.9	16.6	4.8	<u>2/</u>	<u>2/</u>	52.0
1967	1.9	11.8	13.7				55.0
Connecticut Valley Havana Seed (type 52)							
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5
1963	2.3	10.1	12.4	4.1	2.8	1.3	41.6
1964	1.9	8.3	10.2	3.6	<u>2/</u>	<u>2/</u>	43.8
1965	1.5	6.6	8.1	2.7	<u>2/</u>	<u>2/</u>	44.5
1966	1.1	5.4	6.5	2.0	<u>2/</u>	<u>2/</u>	49.5
1967	.7	4.5	5.2				53.0
Total Connecticut Valley (types 51-52)							
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	9.0	8.1	.9	43.4
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5
1963	6.0	25.6	31.6	8.7	7.1	1.6	47.5
1964	5.7	22.9	28.6	7.3	5.2	2.1	47.9
1965	5.0	21.3	26.3	7.0	4.9	2.1	45.9
1966	3.8	19.3	23.1	6.8	5.2	1.6	51.2
1967	2.6	16.3	18.9	*6.8	*5.2	*1.6	54.5
1968 <sup>3/</sup>	*3.1	*12.1	*15.2				

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Breakdown between domestic use and exports not available for individual types of Connecticut Valley binder tobacco.<sup>3/</sup> Subject to revision.

\* Preliminary estimates--production based on an average yield with an allowance for trend.



Table 23.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Southern Wisconsin (type 54)							
1957	7.6	21.0	28.6	8.6	8.2	0.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.6	.1	29.3
1963	8.3	24.3	32.6	9.7	9.7	2/	30.0
1964	8.7	22.9	31.6	8.9	3/	3/	32.2
1965	8.5	22.7	31.2	8.8	3/	3/	29.7
1966	7.4	22.4	29.8	9.1	3/	3/	34.3
1967	7.2	20.7	27.9				34.4
Northern Wisconsin (type 55)							
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963	9.7	27.6	37.3	12.5	12.5	2/	31.6
1964	11.2	24.8	36.0	9.2	3/	3/	35.8
1965	10.8	26.8	37.6	9.4	3/	3/	28.9
1966	8.8	28.2	37.0	7.7	3/	3/	32.4
1967	8.9	29.3	38.2				34.1
Total Wisconsin (types 54-55)							
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963	18.0	51.9	69.9	22.2	22.2	2/	30.9
1964	19.9	47.7	67.6	18.1	17.5	.6	34.2
1965	19.3	49.5	68.8	18.2	17.9	.3	29.3
1966	16.2	50.6	66.8	16.8	16.5	.3	33.3
1967	16.1	50.0	66.1	*16.8	*16.5	*.3	34.2
1968 <sup>4/</sup>	*14.3	*49.3	*63.6				

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Negligible.<sup>3/</sup> Breakdown between domestic use and exports not available for individual types of Wisconsin tobacco.<sup>4/</sup> Subject to revision.

\* Preliminary estimates--production based on an average yield with an allowance for trend.



Table 24.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, July 1	Supply	Disappearance <sup>1/</sup>			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Shade-grown (type 61)							
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	16.2	28.2	11.3	8.8	2.5	190.0
1961	10.3	16.9	27.2	12.0	8.7	3.3	235.0
1962	11.9	15.2	27.1	11.1	8.3	2.8	250.0
1963	12.0	16.0	28.0	14.1	10.0	4.1	260.0
1964	13.5	13.9	27.4	13.1	10.0	3.1	250.0
1965	14.6	14.3	28.9	12.6	9.3	3.3	250.0
1966	13.7	16.3	30.0	14.0	10.5	3.5	295.0
1967	9.6	16.0	25.6				380.0
Georgia-Florida Shade-grown (type 62)							
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.7	17.0	6.5	5.5	1.0	200.0
1961	8.8	10.5	19.3	9.1	6.5	2.6	190.0
1962	7.4	10.2	17.6	8.5	6.4	2.1	205.0
1963	6.7	9.1	15.8	7.6	5.3	2.3	205.0
1964	7.6	8.2	15.8	8.5	7.3	1.2	235.0
1965	8.3	7.3	15.6	7.4	5.6	1.8	225.0
1966	7.3	8.2	15.5	6.8	6.1	.7	185.0
1967	8.0	8.7	16.7				245.0
Total Shade-grown (types 61-62)							
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	23.9	45.2	17.8	14.3	3.5	194.0
1961	19.1	27.4	46.5	21.1	15.2	5.9	214.0
1962	19.3	25.4	44.7	19.6	14.7	4.9	233.0
1963	18.7	25.1	43.8	21.7	15.3	6.4	240.0
1964	21.1	22.1	43.2	21.6	17.3	4.3	245.0
1965	22.9	21.6	44.5	20.0	14.9	5.1	241.0
1966	21.0	24.5	45.5	20.8	16.6	4.2	257.0
1967	17.6	24.7	42.3	*19.0	*14.0	*5.0	318.0
1968 <sup>2/</sup>	*19.8	*23.3	*43.1				

<sup>1/</sup> Year beginning July 1.<sup>2/</sup> Subject to revision.

\* Preliminary estimates--production based on an average yield with an allowance for trend.



per gained of 61 cents, averaging \$3.18 per pound. Last year, production of each of the 3 cigar classes--filler, binder, and wrapper--was below 1966.

Acreage of each type was lower, Yields for Pennsylvania filler, Wisconsin binder, and Georgia-Florida shade-grown were higher but Ohio filler, Connecticut Valley binder, and Connecticut Valley shade-grown were lower. Ohio filler suffered from below normal rainfall late in

the season, and the Connecticut Valley experienced excess moisture.

The Puerto Rican filler (type 46) crop planted in late 1967 and harvested in the early months of this year, is probably near  $11\frac{1}{2}$  million pounds--moderately below the small crop of a year earlier, and only one-third of the 1961-65 average.

Loan receipts of 1967 cigar tobacco were lower than a year earlier. (Table 26.)



Table 25.--Cigar tobacco types: Government price support levels  
1965-68 and season average prices, 1965-67

Types	1965		1966		1967		1968
	Price	Season	Price	Season	Price	Season	Price
	support	average	support	average	support	average	support
	level 1/ Ct. per lb.	price Ct. per lb.	level 1/ Ct. per lb.	price Ct. per lb.	level 1/ Ct. per lb.	price Ct. per lb.	level 1/ Ct. per lb.
Puerto Rican filler, type 46	30.9	32.1	31.5	31.3	32.1	n.a.	33.0
Conn. Valley Broadleaf, type 51	( )	46.5	( )	52.0	( )	55.0	( )
	(41.2)		(42.0)		(42.8)		(44.0)
Conn. Valley Havana Seed, type 52	( )	44.5	( )	49.5	( )	53.0	( )
Ohio filler, types 42-44	( )	26.2	( )	28.0	( )	29.0	( )
So. Wis., type 54	(29.7)	29.7	(30.3)	34.3	(30.9)	34.4	(31.7)
No. Wis., type 55	( )	28.9	( )	32.4	( )	34.1	( )

1/ Support levels are adjusted to reflect the relative change between the 1959 parity index and the average of the parity index for the 3 most recent calendar years. n.a.--not available.

Table 26.--Cigar tobacco price support operations, quantities placed under  
loan, 1955-67, and remaining under loan May 31, 1968

Crop	Quantities placed under loan						
	Puerto Rican, type 46	Ohio, types 42-44	Connecticut Valley, type 51	Connecticut Valley, type 52	Southern Wisconsin, type 54	Northern Wisconsin, type 55	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	2.8	0.8	7.8	5.2	0.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	<u>1</u> /	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	<u>2</u> /7.1
1963	.6	.6	.2	1.3	1.0	3.1	6.8
1964	0	.1	.1	1.0	<u>1</u> /	.8	2.0
1965	1.8	.2	.9	.5	.6	3.2	7.2
1966	6.1	.2	.6	.3	.1	3.3	10.6
1967	0	.4	.1	<u>1</u> /	.2	2.4	3.1
Total	20.6	2.9	18.3	16.5	8.3	29.3	95.9
Remaining under loan as of May 31, 1968							
1960	0	0	0	0	0	0	0
1961	0	0	0	.6	0	0	.6
1962	0	0	0	.1	0	0	.1
1963	0	0	.1	.2	0	0	.3
1964	0	0	<u>1</u> /	.3	0	0	.3
1965	1.7	0	.2	.3	.2	2.6	5.0
1966	0	<u>1</u> /	.3	.2	.1	3.0	3.6
1967	0	.4	<u>1</u> /	0	.2	2.4	3.0
Total	1.7	.4	.6	1.7	.5	8.0	12.9

1/ Negligible. 2/ Includes negligible amount from the 1962 crop of New York and Pennsylvania Havana Seed (type 53).



Table 27.--Cash receipts from tobacco and percentages of total cash receipts from all farm commodities, by states, average 1959-63, annual 1964-66

State	Average 1960-64		1965		1966 1/		1967 1/	
	Percentage:		Percentage:		Percentage:		Percentage:	
	Tobacco : of total :		Tobacco : of total :		Tobacco : of total :		Tobacco : of total :	
	receipts :		receipts :		receipts :		receipts :	
	Mil. dol.	Pct.	Mil. dol.	Pct.	Mil. dol.	Pct.	Mil. dol.	Pct.
North Carolina	551	47.8	455	39.8	519	41.6	535	41.8
Kentucky	265	41.3	255	37.2	240	33.1	343	41.8
South Carolina	100	26.0	88	22.3	88	22.4	107	25.2
Virginia	92	18.9	84	16.8	81	16.1	83	16.2
Tennessee	82	15.1	90	14.8	77	12.8	83	13.8
Georgia	82	10.1	79	8.2	72	7.2	101	9.8
Florida	27	3.1	27	2.8	26	2.5	32	3.0
Maryland	21	7.2	26	7.0	25	7.6	17	5.3
Connecticut	22	14.8	27	17.3	29	17.5	30	19.0
Pennsylvania	14	1.8	12	1.5	12	1.4	10	1.1
Ohio	13	1.2	11	1.0	12	.9	16	1.3
Indiana	8	.7	8	.6	8	.5	12	.9
Massachusetts	8	4.9	10	6.3	11	6.3	11	6.8
Wisconsin	6	.5	7	.5	6	.4	5	.4
Missouri	3	.3	3	.2	3	.2	3	.2
West Virginia	2	2.4	3	2.4	2	2.0	3	3.2
United States 2/	1,296	3.6	1,186	3.0	1,211	2.8	1,392	3.3

1/ Subject to revision. 2/ U.S. total receipts from tobacco include relatively small receipts for a few States not shown separately.

Table 28.--Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods

Period	Net income			Profit			
	Net sales	Before Federal tax		Per dollar of sales		As percentage of stockholders equity (annual basis)	
		Federal tax	Federal tax	Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Mil. dol.	Mil. dol.	Mil. dol.	Ct.	Ct.	Pct.	Pct.
Average:							
1947-51	3,058	252	141	8.2	4.6	20.4	11.5
1952-56	3,779	351	159	9.3	4.2	22.6	10.2
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
1961	5,300	630	303	11.9	5.7	28.3	13.6
1962	5,340	634	306	11.9	5.7	27.1	13.1
1963	5,563	675	327	12.1	5.9	27.6	13.4
1964	5,836	664	345	11.4	5.9	25.8	13.4
1965	6,006	665	354	11.1	5.9	25.4	13.5
1966	6,570	727	389	11.1	5.9	26.3	14.1
1967	7,088	794	420	11.2	5.9	27.2	14.4
Quarterly							
1967							
1	1,673	167	86	10.0	5.1	23.5	12.1
2	1,813	199	106	11.0	5.8	27.6	14.7
3	1,803	221	116	12.3	6.4	30.1	15.8
4	1,799	207	112	11.5	6.2	27.8	15.0
1968							
1	1,764	194	109	11.0	5.7	26.1	13.5

Note: Data include non-tobacco enterprises of tobacco manufacturing corporations. Compiled and adapted from Quarterly Financial Reports for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.



Table 29.--Tobacco: Acreage and yield per acre in the United States, by types, or groups of types, for specified periods

Period	Flue-cured		Fire-cured		Dark		Va.		Cigar		Binder		Wrapper		Total	
	Maryland		Va.		Ky.-Tenn.		cured		Filler		51-52		54-55		1/	
	31	32	21	22	23	35	36	37	41	42-44	46	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres
1950	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1951	958.4	408.3	50.0	9.8	43.1	25.5	3.2	37.3	7.8	37.0	18.9	22.1	13.7	1,636.0	1,636.0	1,636.0
1952	1,110.1	456.1	53.0	10.0	39.0	23.0	3.5	34.9	4.9	36.0	15.3	15.8	13.6	1,815.9	1,815.9	1,815.9
1953	1,111.3	463.5	50.0	9.8	37.6	22.9	3.4	23.7	5.7	36.7	15.1	15.1	13.1	1,808.5	1,808.5	1,808.5
1954	1,021.8	419.7	45.0	9.9	38.4	22.3	3.7	25.8	4.7	41.7	14.6	14.3	12.3	1,674.6	1,674.6	1,674.6
1955	1,042.2	420.9	50.0	10.0	42.0	21.8	4.1	29.2	4.6	38.0	14.4	15.0	13.0	1,705.5	1,705.5	1,705.5
1956	990.7	310.6	47.0	9.1	39.1	20.0	4.2	29.5	4.4	36.1	13.4	14.3	12.9	1,531.5	1,531.5	1,531.5
1957	875.3	309.8	43.5	8.5	38.5	19.3	3.1	29.0	3.9	26.3	7.2	11.8	13.3	1,389.8	1,389.8	1,389.8
1958	662.7	306.6	37.0	6.9	29.7	14.5	2.6	29.0	3.6	26.5	4.3	11.6	13.1	1,148.3	1,148.3	1,148.3
1959	639.4	297.1	34.0	6.8	24.3	12.7	1.6	30.0	3.0	24.2	2.9	13.0	12.9	1,102.1	1,102.1	1,102.1
	693.4	301.0	40.0	7.6	27.6	13.2	2.1	31.0	3.9	26.3	4.5	14.4	14.0	1,179.1	1,179.1	1,179.1
1960	691.8	295.7	37.5	7.3	25.9	13.0	1.8	31.0	4.3	28.5	3.8	14.6	14.6	1,170.0	1,170.0	1,170.0
1961	698.5	318.9	40.0	7.5	27.9	13.5	2.1	31.0	4.6	27.0	2.9	13.7	13.4	1,201.4	1,201.4	1,201.4
1962	729.8	338.6	41.0	7.6	28.5	13.9	2.2	30.0	4.2	28.5	2.6	12.1	13.2	1,252.6	1,252.6	1,252.6
1963	694.5	338.5	34.5	6.6	27.7	13.8	1.5	28.0	3.9	30.0	2.8	10.7	12.9	1,205.7	1,205.7	1,205.7
1964	627.6	306.6	39.0	7.3	24.8	12.4	1.7	27.0	3.9	30.8	2.8	10.9	13.8	1,108.6	1,108.6	1,108.6
1965	562.3	277.1	33.5	7.6	23.2	11.3	1.8	27.0	3.7	17.0	2.6	10.9	15.6	993.9	993.9	993.9
1966	607.0	240.7	35.0	6.0	21.0	10.7	1.4	23.0	3.2	9.0	1.8	9.3	14.6	982.9	982.9	982.9
1967 2/	610.3	237.7	33.0	5.4	17.3	9.5	1.2	21.0	2.3	8.5	1.5	8.3	13.6	969.8	969.8	969.8
1968 3/	555.0	238.2	33.0	5.3	17.8	9.9	1.1	21.0	2.1	n.a.	1.5	7.9	13.4	4/906.4	4/906.4	4/906.4
1950	1,312	1,222	800	1,310	1,054	983	1,120	1,500	1,350	689	1,670	1,446	1,130	1,256	1,256	1,256
1951	1,309	1,355	785	1,340	1,183	1,204	1,145	1,610	1,480	781	1,676	1,473	1,098	1,299	1,299	1,299
1952	1,229	1,403	805	1,250	1,223	1,314	1,100	1,600	1,550	935	1,620	1,447	1,284	1,266	1,266	1,266
1953	1,245	1,345	900	1,245	1,034	1,060	790	1,480	1,400	818	1,833	1,400	1,250	1,203	1,203	1,203
1954	1,261	1,586	875	1,060	1,229	1,395	900	1,670	1,750	895	1,754	1,530	1,264	1,336	1,336	1,336
1955	1,497	1,513	670	1,155	1,399	1,391	775	1,550	1,700	831	1,643	1,469	1,213	1,451	1,451	1,451
1956	1,625	1,635	840	1,260	1,555	1,592	1,030	1,670	1,625	913	1,849	1,712	1,290	1,583	1,583	1,583
1957	1,471	1,592	1,040	1,245	1,411	1,367	1,030	1,420	1,270	1,008	1,940	1,709	1,475	1,475	1,475	1,475
1958	1,691	1,567	915	1,385	1,393	1,269	1,170	1,700	1,835	1,058	1,867	1,682	1,283	1,599	1,599	1,599
1959	1,559	1,669	780	1,320	1,560	1,466	1,040	1,725	1,770	1,068	1,712	1,449	1,325	1,547	1,547	1,547
1960	1,808	1,639	925	1,220	1,411	1,403	995	1,700	1,535	965	1,826	1,431	1,460	1,685	1,685	1,685
1961	1,801	1,820	970	1,300	1,552	1,525	1,045	1,725	1,665	1,137	1,856	1,640	1,429	1,741	1,741	1,741
1962	1,930	1,993	990	1,255	1,566	1,619	1,040	2,000	1,775	1,249	2,014	1,621	1,464	1,876	1,876	1,876
1963	1,975	2,231	1,000	940	1,795	1,751	760	1,850	1,740	1,067	2,093	1,680	1,449	1,970	1,970	1,970
1964	2,211	2,022	1,085	1,245	1,854	1,828	1,060	1,700	1,555	1,231	2,021	1,680	1,530	2,044	2,044	2,044
1965	1,883	2,116	1,150	1,260	1,574	1,639	1,105	1,900	1,465	951	1,910	1,765	1,468	1,882	1,882	1,882
1966	1,825	2,437	1,030	1,255	1,919	1,987	1,065	1,675	1,885	1,338	2,111	1,744	1,440	1,932	1,932	1,932
1967 2/	2,070	2,274	1,100	1,290	1,702	1,629	1,090	1,850	1,550	1,353	1,768	1,943	1,292	2,045	2,045	2,045

1/ Total includes Perique--type 72--and in 1950-53, type 53. 2/ Preliminary. 3/ Farmers' intentions as of March 1. 4/ Not including type 46. n.a.--not available.



TOBACCO FARM INCOME BY VALUE OF SALES CLASS 1/

By

Robert H. Miller  
Economic and Statistical Analysis Division  
Economic Research Service

Tobacco was raised by farmers in about half the States in the Nation in 1964, according to the Bureau of the Census.<sup>2/</sup> For 1964, tobacco production per farm averaged 6,000 pounds, valued at \$3,500. Comparable figures for 1959 were 4,000 pounds, with a value of \$2,300. The differences in averages for the 2 periods are substantial. However, the statistical averages tend to hide the diversity in tobacco growing. An analysis of tobacco farms by value of sales is much more meaningful in attempting to understand tobacco production and the economic problems faced by producers.

The Bureau of Census separates farms by types to provide detailed data for groups of specialized ("commercial") producers of the principal farm products. Beginning in 1959 Census reported the number of tobacco farms.<sup>3/</sup> For 1964, the most recent year covered by Census of Agriculture data, tobacco farms were the fifth largest group of commercial farms, comprising 171,000 of the 331,000 farms. Census reported harvesting tobacco.<sup>4/</sup> Although they made up only 52 percent of all farms selling tobacco, tobacco farms accounted for about 71 percent of harvested tobacco acreage and sold 74 percent of U.S. tobacco in 1964. (Table 31.)

The various types of tobacco are grown in certain well-defined areas where the soil and climate have been found to yield a product with properties desired for manufacture or for export. In addition to the factors of soil and climate, the methods of growing and handling are largely determined by the kind of leaf required by the trade.

Nearly all of the tobacco farms are in the South. The 5 States of North Carolina, South Carolina, Virginia, Kentucky and Tennessee had more than 90 percent of the tobacco farms. In those States, to-

bacco accounted for one-sixth of the acreage of crops harvested on tobacco farms. Those farms had almost 60 percent of their acreage of harvested crops in corn and hay.

Tobacco farms are relatively small. (Table 32.) The small scale of farm operations on most tobacco farms is indicated by the quantities of resources and materials used on farms. About 88 percent harvested less than 50 acres of crops. Tobacco acreage on farms varied widely--from an average of 1 acre of tobacco on farms having less than \$2,500 of sales (Census Class VI) to 38 acres of tobacco on farms with \$40,000 or more of sales (Census Class I). (Table 30.) The 1964 Census showed a larger proportion of tobacco farms in the low income groups than for all specialized farms. On the other hand, tobacco farms had sharply smaller proportions than other specialized types of farms in groups with sales of \$10,000 or more. (Classes I, II, and III.)

<sup>1/</sup> Data in this article compiled from the 1964 U.S. Census of Agriculture, U.S. Dept. of Commerce, Bureau of Census. <sup>2/</sup> USDA's Statistical Reporting Service makes annual production estimates for 18 States. The 1967 production ranged from 835 million pounds in North Carolina to 115 thousand pounds in Louisiana. <sup>3/</sup> Commercial farms are farms with annual sales of \$2,500 or more. Farms with sales of \$50 to \$2,499 were classified as commercial if the farm operator was under 65 years of age and he worked off the farm less than 100 days a year. To be considered commercial tobacco farms, tobacco must have accounted for 50 percent or more of the total sales. <sup>4/</sup> USDA's Agricultural Stabilization and Conservation Service reported 565,692 tobacco allotment in 1964. This is more than the number of farmers harvesting tobacco, because of farms having more than one type of allotments, farms not growing tobacco in a given year, and definitional differences. USDA estimated about 432,000 farms grew tobacco in 1966.



Table 30.--Selected characteristics of tobacco farms by economic class of farms, 1964

Item	Unit	All tobacco farms	Economic class of tobacco farms					
			Class I	Class II	Class III	Class IV	Class V	Class VI
Farms	No.	171,384	1,000	5,828	22,807	45,969	49,989	45,791
Average per farm:								
Land in farms	Acres	97	732	279	150	98	77	52
Cropland harvested	Acres	24	220	91	46	26	16	7
Value of land and buildings	Dol.	22,554	214,880	81,688	42,578	23,265	14,850	8,197
Tobacco harvested:								
Acres	No.	4	38	15	8	5	3	1
Yield per acre	Pounds	2,022	2,069	2,296	2,198	1,995	1,798	1,621
Quantity	Pounds	8,599	75,189	33,537	18,209	9,703	5,063	1,862
Value of all farm products sold	Dol.	6,527	92,029	26,196	13,525	7,055	3,631	1,301
Value of land and buildings per \$100 for all sales	Dol.	346	233	312	315	330	409	630
Expenditures for:								
Fertilizer	Dol.	539	7,627	2,282	1,151	572	276	111
Petroleum fuel and oil	Dol.	427	5,269	1,710	905	461	242	88
Hired labor	Dol.	635	24,137	3,168	1,325	511	201	52
Percent of farms operated by:								
Full owners	Pct.	35.0	19.7	15.3	16.8	23.9	37.2	55.8
Part owners	Pct.	27.8	58.6	53.1	38.1	28.9	27.0	18.7
Tenants	Pct.	36.9	15.5	30.4	44.7	47.1	35.7	25.5
Managers	Pct.	0.2	6.2	1.1	0.4	0.1	1/	1/
With operator working off the farm 100 or more days per year	Pct.	11.4	11.0	8.9	6.4	13.1	22.3	2/
With operators 55 or more years of age	Pct.	32.0	19.1	18.2	21.1	27.6	35.1	2/40.7

1/ Less than 0.05. 2/ Excludes farm operators if 65 years of age or older or worked off farm 100 days or more a year.

Table 31.--Number and size of different types of farms harvesting tobacco, 1964

Farms	Farms reporting	Tobacco harvested			
		Total		Average per farm	
		Acres	Quantity	Acres	Quantity
	Thou.	Thou.	Thou.	No.	Lb.
Commercial					
Tobacco	171.4	729.1	1,473.8	4.3	8,599
Other	83.8	226.8	402.9	2.7	4,808
All other	76.2	69.4	110.9	.9	1,456
Total farms	331.4	1,025.3	1,987.6	3.1	5,998

Table 32.--Farm characteristics of different types of farms, United States, 1964

Farm characteristics	Unit	Commercial farms		All other	Total farms
		Tobacco	Other		
Number of farms	Thou.	171.4	1,994.3	992.1	3,157.9
Average per farm:					
Size of farm	Acres	96.5	475.8	145.9	351.6
Value of land and building	Dol.	22,554	69,039	18,527	50,646
Cropland harvested	Acres	24.0	135.2	1.3	90.9
Farm products sold	Dol.	6,527	16,672	932	11,176
Crops sold	Dol.	6,045	7,506	409	5,197
Livestock, poultry, and their products	Dol.	480	9,147	520	5,966
Percent of farms:					
operated by tenants	Percent	36.9	19.6	8.6	17.1
With operator working off the farm	Percent	34.5	35.5	69.8	46.3
Income from sources other than the farm operated	Dol.	1,558	2,604	4,629	3,184



Table 33.--Number of tobacco farms by economic class of farms,  
United States, 1959 and 1964

Class	Value of farm products sold	1959	1964
		<u>No.</u>	<u>No.</u>
I	\$40,000 and over	322	1,000
II	\$20,000 to \$39,999	1,806	5,828
III	\$10,000 to \$19,999	11,647	22,807
IV	\$5,000 to \$9,999	46,357	45,969
V	\$2,500 to \$4,999	73,166	49,989
VI	\$50 to \$2,499	56,759	45,791
United States, total		190,057	171,384

Compiled from 1959 and 1964 Censuses of Agriculture.

Table 34.--Farms harvesting tobacco and commercial tobacco farms, by States, 1964

State	Farms harvesting tobacco	All commercial tobacco farms: Number	As percentage of: farms harvesting:	Commercial tobacco farms with \$10,000 or more sales Number	As percentage of commercial tobacco farms
	<u>No.</u>	<u>No.</u>	<u>Pct.</u>	<u>No.</u>	<u>Pct.</u>
Massachusetts	157	65	41	23	35
Connecticut	177	131	71	76	58
Pennsylvania	3,989	227	6	15	7
Ohio	6,972	1,367	20	51	4
Indiana	5,576	888	16	43	5
Wisconsin	3,328	281	8	17	6
Missouri	850	257	30	52	20
Kansas	14	4	29	0	0
Maryland	4,161	2,799	67	527	19
Virginia	27,695	16,763	61	1,871	11
West Virginia	2,379	630	26	0	0
North Carolina	87,576	65,981	75	18,326	28
South Carolina	17,976	12,036	67	2,325	19
Georgia	15,027	6,333	42	1,838	29
Florida	3,190	2,135	67	790	37
Kentucky	95,802	43,469	45	3,364	8
Tennessee	56,308	17,963	32	308	2
Alabama	101	32	32	5	16
Arkansas	22	2	9	n.a.	n.a.
Louisiana	32	20	62	4	20
All other states	1/ 33	1	3	n.a.	n.a.
Total or average	331,365	171,384	52	29,635	17

n.a.-- not available

1/ Illinois, 3; Minnesota, 29; Iowa, 1.

Compiled from 1964 Census of Agriculture



But the 30,000 tobacco farms with sales of \$10,000 and up more than doubled from 1959 to 1964. (Table 33.) Tobacco farms in groups with sales of \$4,999 and less (Classes V and VI) with tobacco acreage averaging 3 and 1 acres, respectively, accounted for the 1959-64 decline in tobacco farm numbers. Many farms with sales of \$4,999 and less are too small to be operated with modern machinery and have been most affected by retirement of older operators. The number of farms with sales of \$5,000 to \$10,000 (Class IV) remained the same from 1959 to 1964.

In general, the smaller farms tended to be operated by older people. On tobacco farms with sales of \$9,999 or less, 34 percent of the operators were 55 years old or over compared with 20 percent for tobacco farms with sales of \$10,000 or more. About 18 percent of the operators on the Class IV and V farms worked off farm, but only 9 percent of the operators of farms with sales of \$10,000 or over did so. Thus, this group of lower income tobacco farms represented a larger than average proportion of older operators at or near retiring age and with off-farm employment. Two-thirds of tobacco farm households received income from sources other than farm operations. The average off-farm income rose as the size of farm increased. Tobacco farm households earned less from other sources than other specialized farm operators.

About two-thirds of tobacco farms were operated by their owners or part-owners. Tenants operated one-third of tobacco farms, with crop-share tenants predominate. About one-fifth of other specialized farms were tenant-operated.

The proportion of farms operated by full-owners and tenants decreased as the scale of farms increased. Part-owners predominated among tobacco farms with sales of \$20,000 and more. Tenants operated nearly half the farms in the \$5,000 to \$20,000 sales category.

This ownership pattern was related to both capital and labor requirements.

Farms with sales between \$5,000 to \$19,999 were operated mostly with operator and family labor with little supplemental hired labor. Farms with sales of \$20,000 and up require more capital investment; their operators more often rent a portion of the land and depend on hired labor.

The higher-income tobacco farms had the largest investment in land and buildings, although the investment per dollar of sales was less than for smaller farms. As the scale of tobacco farming increases, tobacco production becomes more intensive. Also, the relative dependence on tobacco as a source of farm income increases. All income classes tended to have about one-sixth of cropland harvested as tobacco acreage, but tobacco yields per acre were greater on the higher-income farms. Operators of larger farms fertilize their tobacco heavier and irrigate a larger proportion of their crop.

Larger farms used more hired labor, which accounted for 60 percent of major input expenditures on the farms with sales of \$40,000 or more, compared with 29 percent for farms with sales of \$39,999 or less. Smaller tobacco farms depended largely on operator and family labor. Although farms with sales of \$10,000 or more accounted for 49 percent of the sales by commercial tobacco farms, their expenditures for hired labor were 57 percent of the labor expenditure for all tobacco farms.

For more than 20 years, the number of larger farms in U.S. agriculture has been increasing, while the number of smaller farms rapidly decreased. As a result, an increasing share of total agricultural output comes from farms with \$10,000 or more of sales. These farms accounted for 81 percent of the value of all U.S. farm products sold in 1964, compared with 51 percent in 1949. The number of farms with sales of \$10,000 or more increased 80 percent, and average marketings per farm increased 42 percent.

In 1964, the 30,000 tobacco farms with sales of \$10,000 or more accounted for 308,000 acres of tobacco out of the 1,025,000 Census reported for all farms. Although farms with sales of \$10,000 or



more were only nine percent of farms Census reported growing tobacco, they accounted for 30 percent of tobacco acres. However, this concentration of output was substantially below the share of total sales for other crops and livestock by farms with sales of \$10,000 or more. The percentage of total tobacco sales by tobacco farms with sales of \$10,000 or more has moved closer to the national average for all farms in the years since 1950.

The proportion of farms harvesting tobacco represented by tobacco farms varied considerably by States. In the South Atlantic States, tobacco farms represented two-thirds of all farms harvesting tobacco while Northern States tobacco production (except in the Connecticut Valley) was mostly as a supplementary enterprise. Among the 6 leading tobacco growing States, the proportion of farms with sales of \$10,000 or more is highest in North Caro-

lina and Georgia and lowest in Kentucky and Tennessee. This regional variation in proportions is related to type of tobacco grown, as well as the relative importance of tobacco within a State. (Table 34.)

As computed from Agricultural Stabilization and Conservation Service data, the size of the average tobacco allotment fell from 1.9 acres in 1964 to 1.7 acres in 1967--an 11 percent decline. Meanwhile, the number of allotments fell 5 percent. These changes are similar to those of 1959-64 and suggest that the 1969 Census of Agriculture will show still another reduction in the number of farms harvesting tobacco. Most of the 1959-64 decline in farms with tobacco occurred among types of specialized farms other than tobacco and among part-time and retirement farms. This pattern of change very likely will continue.



## STATISTICAL SUMMARY

Item	Unit or base period	1967		1968		Last data as percentage of a year earlier
		Apr.	May	Mar.	Apr.	May
Average price at auctions						
Flue-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Burley	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Maryland	Ct. per lb.	48.8	49.4	Closed	64.1	65.4 : 132
Virginia fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Ky.-Tenn. fire-cured	Ct. per lb.	C - 1 - o - s - e - d		41.2 C - 1 - o - s - e - d		---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Virginia sun-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Support price 1/						
Flue-cured	Ct. per lb.	59.9			61.1	103
Burley	Ct. per lb.	61.8			63.5	103
Maryland	Ct. per lb.	No support			No support	---
Virginia fire-cured	Ct. per lb.	41.9			43.1	103
Ky.-Tenn. fire-cured	Ct. per lb.	41.9			43.1	103
Ky.-Tenn. dark air-cured	Ct. per lb.	37.3			38.3	103
Virginia sun-cured	Ct. per lb.	37.3			38.3	103
Connecticut Valley cigar binder	Ct. per lb.	42.8			44.0	103
Wis. binder and Ohio filler	Ct. per lb.	30.9			31.7	103
Puerto Rican filler	Ct. per lb.	32.1			33.0	103
Parity index 2/	:1910-14=100	340	341	350	353	354 : 104
Industrial production index 3/	:1957-59=100	156	156	163	163	164 : 105
Employment	Mil.	73.4	73.6	74.5	75.1	78.2 : 106
Personal income 4/	Bil. dol.	616.5	618.2	666.5	669.8	674.0 : 109
Taxable removals						
Cigarettes	Bil.	43.6	44.1	46.4	41.8	40.0 : 91
Cigars and cigarillos	Mil.	694.2	661.9	616.1	609.9	670.9 : 101
Accumulated from Jan. 1						
Cigarettes	Bil.	124.8	168.9	87.3	129.1	169.1 : 100
Cigars and cigarillos	Mil.	1,849.0	2,511.2	1,250.6	1,860.6	2,531.5 : 101
Invoiced to domestic customers,						
Accumulated from Jan. 1						
Smoking tobacco	Mil. lb.	14.9			16.1	108
Chewing tobacco	Mil. lb.	15.2			15.4	101
Snuff	Mil. lb.	7.7			7.3	95
Tax-exempt removals						
Cigarettes	Bil.	4.6	4.0	4.0	4.1	4.0 : 100
Exports	Bil.	2.2	2.1	1.9	1.4	2.3 : 110
Cigars and cigarillos	Mil.	18.0	14.8	23.9	16.6	14.0 : 95
Accumulated from Jan. 1						
Cigarettes	Bil.	12.0	15.9	7.5	11.7	15.6 : 98
Exports	Bil.	5.7	7.8	3.5	5.0	7.3 : 94
Cigars and cigarillos	Mil.	49.3	64.1	35.4	52.0	66.0 : 103
Invoiced for export						
Accumulated from Jan. 1						
Smoking tobacco	Mil. lb.	.5			.5	100
Chewing tobacco	Mil. lb.	.2			.1	50
Wholesale price indexes 5/						
Cigarettes (reg. nonfilter)	:1957-59=100:	114.1	114.1	119.9	119.9	119.9 : 105
Cigars	:1957-59=100:	100.7	100.7	101.5	101.5	101.5 : 101
Smoking tobacco	:1957-59=100:	130.2	130.2	130.2	130.2	130.2 : 100
Plug chewing tobacco	:1957-59=100:	133.3	133.3	133.3	133.3	133.3 : 100
Snuff	:1957-59=100:	124.7	124.7	127.3	127.3	127.3 : 102
Consumer price indexes (urban) 6/						
Cigarettes (reg. nonfilter)	:1957-59=100:	132.9			143.5	108
Cigarettes (filter tip king)	Mar.1959=100:	126.8			136.0	107
Cigars (domestic reg. size)	:1957-59=100:	102.8			104.0	101
Imports of tobacco						
Cigarette leaf	Mil. lb.	10.2	13.6	16.8	15.5	18.6 : 137
Cigar tobacco 7/	Mil. lb.	5.1	2.7	8.4	7.7	6.7 : 248
Accumulated from Jan. 1						
Cigarette leaf	Mil. lb.	34.8	48.4	29.0	44.4	63.0 : 130
Cigar tobacco 7/	Mil. lb.	16.0	18.8	15.1	22.8	29.5 : 157

See footnotes at end of table.

Continued -



## STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1967			1968			Last data as percentage of a year earlier
		Mar.	Apr.	Feb.	Mar.	Apr.		
Exports of leaf tobacco								
(farm-sales weight)								
Flue-cured	Mil. lb.	31.6	45.1	41.8	26.5	32.0		71
Burley	Mil. lb.	6.8	7.4	3.9	4.8	5.1		69
Maryland	Mil. lb.	.9	2.5	1.5	.7	1.1		14
Virginia fire- & sun-cured	Mil. lb.	.8	.4	.6	.4	.3		75
Ky.-Tenn. fire-cured	Mil. lb.	2.9	1.9	.8	1.1	1.0		53
Ky.-Tenn. dark air-cured	Mil. lb.	*	.5	.1	*	.2		40
Black Fat	Mil. lb.	.6	.3	.3	.1	.3		100
Cigar wrapper	Mil. lb.	.1	.6	.4	.1	1.1		183
Connecticut binder	Mil. lb.	*	.3	*	0	*		---
Wisconsin binder	Mil. lb.	*	.1	*	0	.1		100
Accumulated from beginning of marketing year <sup>8/</sup>								
Flue-cured	Mil. lb.	461.3	506.4	389.4	416.0	448.0		88
Burley	Mil. lb.	28.4	35.8	18.2	23.0	28.1		78
Maryland	Mil. lb.	7.4	9.9	5.8	6.5	7.6		77
Virginia fire- & sun-cured	Mil. lb.	5.8	6.2	3.1	3.6	3.2		61
Ky.-Tenn. fire-cured	Mil. lb.	11.6	13.6	10.2	11.2	12.2		90
Ky.-Tenn. dark air-cured	Mil. lb.	.8	1.3	.5	.6	.7		64
Black Fat	Mil. lb.	2.0	2.3	1.5	1.7	2.0		97
Cigar wrapper	Mil. lb.	2.5	3.1	2.8	2.9	4.0		129
Connecticut binder	Mil. lb.	.3	.6	.5	.5	.5		83
Wisconsin binder	Mil. lb.	.2	.2	.1	.1	.2		100
Cigar filler	Mil. lb.	1.0	1.0	.4	.5	.5		50
Exports of manufactured tobacco in bulk	Mil. lb.	1.6	1.1	.5	1.3	1.5		136
Accumulated from Jan. 1	Mil. lb.	3.5	4.6	2.3	3.8	4.7		102
Quarterly data								
1967								
1968								
Jan.-Mar. : Apr.-June : Jan.-Mar. : Apr.-June								
Stocks of tobacco--1st of quarter <sup>2/</sup>								
Domestic types								
(farm-sales weight)								
Flue-cured	Mil. lb.	2,820	2,574	2,844	2,588			101
Burley	Mil. lb.	1,570	1,677	1,666	1,626			97
Maryland	Mil. lb.	90	82	86	79			96
Fire-cured	Mil. lb.	103	128	95	119			93
Dark air- and sun-cured	Mil. lb.	66	76	66	69			91
Cigar filler	Mil. lb.	176	207	152	182			88
Cigar binder	Mil. lb.	68	73	61	73			94
Cigar wrapper	Mil. lb.	31	28	32	27			96
Under Government loan <sup>10/</sup>	Mil. lb.	1,156	1,131	1,311	**1,225			108
Tobacco sheet <sup>11/</sup>								
Cigarette types	Mil. lb.	15.7	17.3	19.7	21.9			127
Cigar types	Mil. lb.	2.2	2.6	2.4	3.3			127
Foreign types (farm-sales wt.)								
Cigarette and smoking	Mil. lb.	329	392	403	459			117
Cigar	Mil. lb.	96	91	78	83			91
Tobacco outlets <sup>12/</sup>								
Seasonally adjusted data, annual rates, for charts, p.2:								
Cigarettes								
Production	Bil.	566	605	586	589			97
Tax-paid removals	Bil.	511	550	531	520			95
Cigar production	Bil.	8.06	7.93	8.85	8.36			105
Smoking production	Mil. lb.	63.9	63.0	70.7	69.4			110
Chewing production								
Scrap	Mil. lb.	33.8	33.5	34.3	34.2			102
Plug and other	Mil. lb.	30.6	31.3	30.2	30.2			96
Snuff production	Mil. lb.	29.0	29.1	27.8	28.8			99
Exports of leaf								
Total	Mil. lb.	701	908	754	800			88
Flue-cured	Mil. lb.	602	796	697	700			88

1/ 1967 and 1968 crops respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. \* Less than 50,000 pounds. \*\* Of this quantity, approximately 45 million pounds had been sold.



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